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ROK: Worldwide Sanctions Affirm Concern for Peace

SK280053 Seoul *THE KOREA HERALD*
in English 28 Jan 88 p 8

[Editorial: "Worldwide Ire at Pyongyang"]

[Text] Many nations of the civilized world have joined this week in registering their common outrage at north Korea for sponsoring terrorism time and again. The universal and vocal condemnation, sometimes accompanied by sanctions, isolated Pyongyang further and affirmed a widely shared concern for peace and respect for humanity.

Japan Tuesday followed the United States in imposing tough sanctions against north Korea to protest the sabotage of a south Korean airliner last November in which all 115 people aboard died. The Tokyo government stated its conviction that the destruction of the KAL plane off the coast of Burma was the result of an explosion masterminded by north Korean agents.

Both countries have imposed sanctions against the north that will trim their contacts with the Western world back down to almost zero. Japan's news steps, almost identical to those taken after the Rangoon bombing in 1983, include stricter control of contacts between Japan and north Korea, a ban on all flights between the two and restriction of shipping and visiting north Korean sailors.

About the same time, 12 member countries of the European Community and Canada also joined to condemn the Nov. 29 destruction of a Korean Air jetliner, taking note of the findings of Seoul's investigation into the atrocity implicating a north Korean woman in the terrorist attack.

They are Britain, West Germany, France, Italy, Belgium, the Netherlands, Luxembourg, Denmark, Spain, Portugal, Greece and Ireland. The Phillipines, Kenya and Oman have followed suit to bring to 21 the number of countries expressing their vigorous condemnation of the crime against civil aviation so far. The International Air Transport Association issued a similar statement of denunciation and warning against such terrorist acts.

Although north Korea's state terrorism deserves a much stronger reproach and penalty, these official declarations and supplementary measures taken by the governments and international organizations concerned are timely enough and symbolically appropriate.

In view of the disclosure that spies and their front organizations based in Japan and working for north Korea had much to do with the saboteurs involved in the latest KAL blast, it is imperative that the Japanese authorities step up surveillance on and containment of the covert maneuvers in their territory of Communist agents.

As long as north Korea slands accused and convicted of repeated crimes of sponsoring and assisting terrorism in many parts of the globe, the community of nations must continue to bring every diplomatic and economic pressure to bear to make it forgo its bad manners.

Rok Daily Urges North Korea To Renounce Terrorism

SK230333 Seoul *CHUNGANG ILBO* in Korean
22 Jan 88 p 2

[Editorial: "North Korea Has Failed to Realize the Fact that the World Has Changed. It Refuses the Logic of Coexistence"]

[Text] The U.S. action of describing North Korea as a terrorist state is a step taken as part of the international movement to guarantee the safety of civilian airliners. North Korea, by blowing up a KAL airliner in midair and thus murdering 115 people, has brutally violated the humanitarian principle for coexistence of mankind and the principles of international law. Since the founding of its regime, North Korea has not only perpetrated terrorism, but has also supported terrorism behind the scenes on the Korean Peninsula, as well as everywhere around the world. This U.S. action against North Korea is a punitive step against its uncivilized atrocity which has destroyed human life. Political groups should abide by moral principles. This notwithstanding, the Pyongyang regime has perpetrated the act of murdering human lives without hesitation on the excuse of "revolution" and, as a result, has been branded an "immoral group" in the international community. The targets of the Pyongyang regime's terrorist activities have not been limited only to hostile forces. In other words, the Pyongyang regime has victimized many innocent people not only in North Korea, but also among its allies by mobilizing them for use in its terrorist activities. In this sense, Kim Hyon-hui is also a victim. This punitive action against North Korea is a punitive step for its violations of international law. All political groups in the world that have the form of a state have the duty to respect and abide by international law as members of international society. However, the Pyongyang regime has frequently violated and trampled underfoot international law and, because of this, has been branded an outrageous political group in the international community. It is meaningless for a punitive action to end merely as chastisement. A punitive action against a political group can prove its worth only when it results in the political group repenting its crime. We hope that this punitive action against North Korea will bring about such a result. In other words, this punitive action against North Korea should become an occasion to have North Korea repent its crime and, thus, have it liquidate its position as an outrageous and immoral political group in the international community. North Korea should not only repent all immoral and atrocious crimes that it has committed in the past, but also assume the attitude of respecting and abiding by morality and laws so that it can seek coexistence with mankind and the world. Along with this, this punitive

action against North Korea should also become an occasion during which the hard-line faction of the Pyongyang regime can be eliminated and, instead, the moderate faction can take the initiative in deciding policies. All provocations against South Korea and the terrorist activities in the international community that North Korea has committed thus far have been perpetrated by the hard-line faction of the Pyongyang regime. With the appearance of Kim Chong-il, various atrocities, namely the abduction of actress Choe Un-hui and the Aungsang bombing, were perpetrated.

Using the KAL bombing case as an occasion, the leftist-adventurous hard-line faction led by Kim Chong-il should be eliminated. Of course, there are hard-line factions and moderate factions in a political group. We know that there is a moderate faction in the Pyongyang regime, that is to say, the faction of economic and technological bureaucrats who seek construction, not revolution, and coexistence, not struggle. This faction must be a moderate and reasonable group.

We believe now is the time for Pyongyang to open its eyes. The world is changing rapidly. This notwithstanding, how long is North Korea going to cling to the same method and the same attitude? Pyongyang should mature as time passes. Pyongyang should seek coexistence with the international community.

ROK, Socialist Trade Contacts May Teach 'Lesson' to North
SK270027 Seoul *THE KOREA TIMES* in English
27 Jan 88 p 8

[Editorial: "Exchanges With Socialist States"]

[Text] A government policy of promotion of relations with the Communist countries is not new. The Pak Chong-hui government expressed its intention to make contacts with "non-hostile" socialist states, exclusive of North Korea, mainland China and the Soviet Union two decades ago. The present policy has widened its targets, setting its sights on all Communist nations.

This bold approach to so-far untouchable states has been bolstered by the growth of national power notably achieved by the economic and trade expansion. A change is also seen in the government diplomatic posture, with the emphasis shifting from political ideology to commercial interests. Moreover, the increased relations with such countries derive from a reciprocal necessity felt by the countries concerned.

Recently, president-elect No Tae-u, Foreign Minister Choe Kwang-su and other government officials have underscored the policy to seek direct or indirect exchanges with all Communist bloc states on a number of occasions. Their remarks are now backed by deeds, making them different from the previously propagandistic statements in nature. This is a very encouraging development for the "northward policy."

Taking advantage of the favorable environment, national diplomacy should be further strengthened in non-political economic, cultural and sports fields on the one hand and private enterprises should be helped to advance into those countries on the other. The setup of a Hungarian trade mission in Seoul is the harbinger of a success story.

Exchanges of trade offices are no doubt one of the most suitable channels for stepping up direct trade between countries which have no formal diplomatic relations. Besides trade offices, joint ventures, direct transport services, participation in international trade fairs sponsored by the socialist nations and opening of Korean firms' subsidiaries are ways to boost mutual economic cooperation falling in the non-governmental category.

Fortunately, Korea enjoys a rare opportunity for rapid and substantial expansion of exchanges with not only neighboring China and the Soviet Union but also the more remote East European nations with the upcoming Seoul Olympics.

But, the government's diplomatic efforts are not enough. The people's allout endeavors in all non-political economic, social, cultural and sports areas are as important. If non-governmental cooperation is successful, official or diplomatic relations will follow as a consequence.

With the maintenance of bilateral or multilateral contacts with the socialist states, the lesson may be taught to North Korea that the easing of tension on the Korean peninsula is indispensable for the peaceful coexistence, and reunification of the two divided halves.

KCNA: Chongnyon, Other Groups Protest South's 'Smear' Tactics
SK231146 Pyongyang *KCNA* in English
1039 GMT 23 Jan 88

[Text] Tokyo January 22 (KNS-KCNA)—Functionaries of the general association of Korean residents in Japan (Chongnyon) and compatriots in Japan are conducting energetic activities against the south Korean fascist clique's anti-DPRK smear campaign over the KAL incident.

The Osaka prefectoral headquarters of Chongnyon is actively conducting political propaganda to denounce the south Korean military fascist clique's anti-DPRK smear campaign and disclose the truth of the incident.

Urgent meetings were held in Nakanishi, Nishiyotokawa, Itsumiotsu and Shuitsu on January 16, in East Ikuno, Nishinari, Joto, Daiko, Kahokunishi, West Ikuno and Higashiyotokawa on January 17 and in Hokushetsu on January 18, and by organisations and enterprises under the headquarters. The meetings expressed determination to reveal the truth of the puppet clique's KAL incident full of lies and fabrications and smash its smear campaign.

The chairman and representatives of the Tokushima prefectural headquarters of Chongnyon held a press conference at the press club of the Tokushima prefectural office on January 19 and resolutely condemned the south Korean puppets' anti-DPRK smear campaign.

On January 16 prominent figures of the headquarters of Chongnyon, the Japan socialist party, the Tokushima prefectural council of trade union and others organized a

group of protest and went to the Tokushima newspaper office which carried biased reports, and strongly demanded it carry fair reports about the incident.

Compatriots under Juo branch, Ehime prefecture, held an urgent meeting on January 19, protesting against the south Korean puppets' use of the KAL incident in provoking the DPRK and Chongnyon.

ROK Daily on Olympic Ceremony, Politics
SK200125 Seoul *THE KOREA TIMES* in English
20 Jan 88 p 8

[Editorial: "Success in Seoul Olympics"]

[Text] In a heart warming ceremony this morning, the Seoul Olympic Organizing Committee will raise the national flags of the 161 countries accepting the International Olympic Committee invitations to compete in the Seoul Olympiad this fall. The occasion will be participated in by sports leaders, dignitaries and others, gathering at the plaza in Olympic Park, in southeastern Seoul.

Syria became the final country to accept the IOC invitation on Sunday (Monday KST), bringing to a record 161 the countries which have applied to take part in the Seoul Olympics over the period September 17 through October 2.

The Seoul Games will be the first Summer Olympics in which the Soviet and U.S. sports champions are pitted against each other since the 1976 Montreal Games.

Foretelling a great success, the 24th Olympic Games to be held here will also be the largest in Olympic history, in terms of the number of participant countries, with contestants and sports officials participating expected to exceed 13,000.

It is regrettable that the 1988 Olympics has been marred by politics, with North Korea failing to apply, having been refused the right to co-host the Games.

As no more than six countries, including North Korea and Cuba have declined IOC invitations, more than 99 percent of the human family on the globe are scheduled to join in the Seoul Olympics, encouraging nations both in the East and West and auguring for peace and harmony among the world's five billion people at large.

Since the IOC is expected to show a positive response to post-deadline applications by the remaining countries, the Seoul Olympics will be joined probably by a few more countries, with North Korea and Cuba becoming further estranged from the world community.

ROK Transportation Ministry Announces Traffic Measures, Plans
SK270041 Seoul *THE KOREA TIMES* in English
27 Jan 88 p 3

[Text] Some 4,000 new taxis will be put into operation in Seoul as part of comprehensive traffic measure for the Seoul Olympics, the Transportation Ministry announced yesterday.

The subway service frequency will be upped during the Olympics to transport as many people as possible and city buses will be rerouted past the Olympic stadium for the convenience of spectators, the ministry said.

The ministry revealed the measures in a report submitted to the National Assembly yesterday.

The ministry is also considering restricting the operation of private cars during the Olympic period to ease traffic congestion, by for instance allowing them out only every other day.

Areas within a radius of two to three kilometers around the Olympic stadium will be closed to traffic in the morning of the opening day and on the evening of the closing day, it said.

The ministry is to order some 30 percent of the existing taxis in Seoul traded in for medium-sized taxis with airconditioning before the Olympics.

The basic fare of the medium-sized taxis will be 800 won with an additional 100 won for every 600 meters after an initial 2 kilometers, the ministry said.

The medium-taxis with the same fare will also be operated in Pusan before the Olympics, it said.

During the Olympic period, some 450 hotel taxis will be placed at seven major competition venues for the convenience of foreign spectators, it said.

A total of 100 coaches will be placed on the rails before the Olympics to make it possible to shorten service interval from the present six minutes to four, it said.

City buses passing through Kangnam and Kangdong areas will all be rerouted past the Olympic stadium and some 1,137 city buses will take charge of transporting domestic and foreign passengers, according to the ministry.

New Shuttle buses linking Kimpo International Airport, the downtown area and Olympic Stadium will be inaugurated, it said.

The facilities on city buses will also be modernized for the convenience of foreign visitors before the Olympics, it said.

In the meantime, the operation of Kimpo International Airport will be shifted to a round-the-clock basis from Aug. 1 through October to absorb foreign chartered flights without limit.

Such facilities as a VIP room, information desk, cargo inspection desks and reception counters for the exclusive use of Olympic participants will also be set up at the airport, it said.

EA Announces Pollution Control Measures

During Games

*SK280253 Seoul THE KOREA HERALD in English
28 Jan 88 p 3*

[Text] The Environment Administration (EA) yesterday announced that it will suspend or curtail operations of pollution-causing factories in areas near Olympic competition sites during the Games period.

The announcement said the EA will order construction sites, coal depots, ready-mixed concrete factories and other plants emitting dust to stop or shorten their operations from 10 days before the opening of the Games until three days after the closing ceremony.

In an effort to keep the air clean, the supply of low sulfur oil will be increased by 8 million barrels to 91 million barrels this year. The sulfur content will be lowered from the present 1.6 percent to 1 percent, an EA official said.

The environmental agency will launch an intensive crackdown on vehicles discharging exhaust gasses exceeding the permissible level. Auto emissions have been blamed for causing heavy air pollution.

The official said all passenger cars are now required to have antipollution catalytic converters when they roll off the assembly line.

Use of liquefied natural gas (LNG) will become mandatory for private and public buildings with a floor space of more than 6,600 sq. meters in the Seoul area from Sept. 1 this year.

In addition, houses and apartments will be encouraged to use the pollution-free LNG for heating, the official said.

The environmental agency aims to keep air pollution from exceeding 0.036 ppm (parts per million) for sulfur dioxide, 0.07 ppm for ozone and 115 micrograms per cubic meter for dust during the Games period.

The sulfur dioxide concentration was measured at 0.053 ppm as of the end of last year, 0.003 ppm over the permissible level, ozone at 0.09 ppm, 0.01 ppm under the permissible level and dust at 117 micrograms per cubic meter, 27 micrograms over the permissible level.

Two special vehicles will patrol the Olympic competition sites and marathon course to detect any excessive air pollution, the official said.

The EA will make more efforts to keep Seoul's streets and the Olympic sports facilities and their adjacent areas clean in cooperation with the Seoul City government, he said.

The official said waste water treatment facilities near Suyong Bay in Pusan will be put into full operation from April this year to purify waste water before it flows into the bay, the Olympic yacht marina.

A special device will be installed at the bay to monitor the water pollution level.

DPRK Daily Denounces Formation of 'Olympic Guards'

*SK210453 Pyongyang KCNA in English
0435 GMT 21 Jan 88*

[Text] Pyongyang January 21 (KCNA)—NODONG SINMUN today flays the south Korean puppets for drastically reinforcing the suppressive forces and further aggravating the situation on the Korean peninsula on the pretext of the Olympic games.

The south Korean puppets recently set up the "headquarters of the Olympic guard" to supervise "the Olympic guard" already organized, and decided to form in the future the 60,000 strong "Olympic guard" embracing puppet army and police forces.

Meanwhile, the puppets, together with the U.S. imperialist masters, wove a plot to introduce large quantities of new type ammunition, keep the U.S. pacific fleet in the waters of south Korea and hold the "team spirit" war rehearsal on a larger scale on the excuse of "security of the Olympics".

In a signed commentary the paper says: facts show that under the manipulation of the U.S. imperialists the Chon Tu-hwan-No Tae-u group is trying to host the Olympic games under a virtual martial law where suppression is rampant and in a terror-ridden war atmosphere.

The commentary further says:

This is an undisguised challenge and insult to the Olympic movement whose idea is peace and friendship and a move to further aggravate the situation on the Korean peninsula.

What is disgusting is that while taking steps to reinforce the suppressive forces, the puppets vilified us this time, too, crying about "provocation" and "terrorism" of the north.

As is known, in recent years we advanced the proposal to cohost the 24th Olympic games to solve the problem of Olympiad in favour of peace in the country and its reunification and made sincere efforts for its realisation.

Does this appear as "provocation" and "terrorism" to the south Korean military hooligans?

In reinforcing the suppressive forces with a hue and cry about fictitious "armed provocation" and "terrorism" of someone, the puppets scheme to suppress by force of

arms the democratic forces opposing the military administration. This is a criminal scheme to hold the olympic games even turning south Korea into a sea of blood.

The Olympic games to be held in Seoul are bringing dark clouds of suppression and war to the south Korean people and their fellow countrymen.

KCNA Quotes Cuban Papers' Denunciation of Seoul Olympic Hosting

*SK250521 Pyongyang KCNA in English
0511 GMT 25 Jan 88*

[Text] Pyongyang January 25 (KCNA)—Cuban newspapers carried articles on the problem of Olympic cohosting.

The paper JUVENTUD REBELDE January 19 ran a commentary headlined "What door did Samaranch open to the DPRK?

The commentary says:

What door did Samaranch open?

Is it a door of sanctifying "Seoul Olympics" which will trample down the Olympics originated from the idea of love and solidarity?

Is it a door of intimidating the DPRK to accept crumbs offered by the dictatorship which dominates south Korea?

How can it be for the whole Korean nation to go to south Korea which has been turned into an appendage to the United States by force of nuclear weapons?

Many countries did not participate in the Los Angeles Olympiad because of unsatisfactory situation.

It would be a careless act to go to Seoul where no one knows what happens.

The right of a nation which has been harshly violated cannot be embellished by such sumptuous games as glass sheets to cover stink.

It is a mockery of Olympics to baffle Olympic cohosting in the north and south of Korea.

Cuban sportsmen do not pass through that door.

On January 20 another paper GRANMA pointed out in a commentary:

The sportsmen and people of Cuba have the expectation that just Olympic games, devoid of violence, will be held by a miracle.

It is clearly wrong that Samaranch chose Seoul as a venue of the games, not closing a door for the participation of the DPRK in the Olympic games.

On the same day another paper LOS TRABAJADORES carried an article headlined "seoul-Betrayal of Olympic Movement", which said: the decision at the Baden meeting in West Germany in 1981 that Seoul was chosen to host Olympic games was a perfidy to the Olympic idea.

POLITICAL

Plans for No Tae-u Inaugural Ceremony, Speech, International Guests
SK280151 Seoul YONHAP in English
0139 GMT 28 Jan 88

[Text] Seoul, Jan. 28 (YONHAP)—The inauguration ceremony for president-elect No Tae-u will be held in the garden of the National Assembly on Feb. 25, marking the first peaceful change of power in Korea's 40-year constitutional history, the government announced Wednesday.

No, president of the Ruling Democratic Party, will serve a single five year term. He won the first direct presidential election in 16 years last December by defeating split opposition.

During the ceremony to be televised across the nation, No will take the oath of office as the 13th president of the Republic of Korea before shaking hands with outgoing president Chon Tu-hwan.

According to a plan worked out by the government administration ministry, No then will deliver an inaugural speech which features the new government's state policies. The ministry submitted the plan to Thursday's cabinet meeting for approval.

For outgoing president Chon, a farewell dinner, instead of an official ceremony, is scheduled for Feb. 24, the last day of his term of office, with representative from all walks of life invited. During the function, Chon will deliver a farewell speech to the people.

The government will designate the inauguration day as an official holiday. People will celebrate the day by hoisting the national flag at the doors of their homes.

Japanese Prime Minister Noboru Takeshita and U.S. Secretary of State George Shultz are expected to attend the inauguration ceremony. About 5,000 to 10,000 people will be invited to attend the ceremony.

No and his wife Kim Ok-suk will begin their inauguration day with a visit to Chongwadae, presidential residence. After an exchange of greetings, the outgoing and incoming presidents will ride together to the assembly garden.

After the inaugural ceremony, the new president will pay homage to the national cemetery and receive calls from special emissaries of foreign countries at Chongwadae.

In the evening, No will attend an inaugural party in the assembly with about 1,000 people participating.

Other celebrations will include an arts festival and firework displays in major cities. In addition, people will be allowed to enter old palaces and national parks free of charge.

New Year's Interview With President-elect No Tae-u

41070029a Seoul CHUNGANG ILBO in Korean
1 Jan 88 p 3

[New Year's interview with President-elect No Tae-u, by Chon Yuk, deputy director of the Political Department—date and place not indicated]

[Text] On the occasion of the new year, President-elect No Tae-u sat for an interview with the CHUNGANG ILBO and expressed his ambitions and opinions on plans to manage state affairs after his inauguration and on pending issues and the situation at home and abroad. President-elect No Tae-u pledged to devote himself to democratization and national reconciliation as he had committed himself to during the election campaign and clarified once again his theory on "ordinary people."

[Chon] Congratulations on your victory in the election. You will be inaugurated next month. What do you think is the first task you will carry out after inauguration?

[No] First of all, I will invariably take the stand that the people are awe-inspiring. The duty the new government should discharge first is to concretely realize democratic harmony.

[Chon] On many occasions, you have stressed that democratization is a mission of the times. However, some people say that in light of past examples, they have to wait and see if democratization will be put into practice. Can we believe what you say?

[No] What I have committed myself to can be vouched for. Please, have trust. I have even told the people that I would risk an interim evaluation after the Olympics. You will see whether my commitment will come true. I will embody the spirit of democratic harmony in many social fields and adopt it as a basic direction of state management.

[Chon] I believe that democratization importantly depends on the will of a ruler to realize it and, at the same time, it can be carried into practice based on the people's trust and evaluation. Do you have any idea how to secure the people's trust in what you say at an early date?

[No] Is there any great idea to restore the people's confidence overnight? I believe there is no other way but to consistently adhere to truth and honesty. As I did in the election campaign, I will frankly acknowledge and correct anything wrong over the course of pushing ahead with the work. I ask the people to show patience and render cooperation.

[Chon] During the campaign period, you promised to serve as a bridge for civilian politics. It is men who exercise politics. You will inevitably employ who you

know and who your close aides know in forming your cabinet and your National Assembly group. In what way will you employ good and reputable people?

[No] I will resolutely reject biased personnel management in accordance with my relations with those from my home province, my academic relations, and my family relations. No one who is not welcomed in an organization will be posted in a high-ranking position. I will hire the most competent, upright, and reputable persons in all fields, transcending differences in political parties, provinces, sexes, and generations.

[Chon] Have you secured a candidate for prime minister?

[No] We now live in the era of information. I believe that there are many gauges to evaluate people. I will also do my best to hire an excellent man. I hope you in the mass media will also introduce and recommend a good candidate to me.

[Chon] By that do you mean that you will nominate candidates for lawmakers and form a cabinet by valuing public opinion?

[No] That is right. Only then can the people trust me and the DJP take the majority in the election to stabilize the nation. Flattering public opinion is different from honoring it.

[Chon] Will you discuss your concept of nominating candidates to be lawmakers, negotiations over the election law, and the time of the election of lawmakers?

[No] In connection with nomination, I intend to initiate many fresh figures, give a shot in the arm to the party, and fill the party ranks with youth. Concrete standards and directions will be delineated as negotiations over the election law proceed. In principle, the time and method of election of lawmakers should be decided upon by agreement between the ruling and opposition parties. However, I am firmly convinced that a new regime should be fresh. I hope that the general election will be held in the middle of February at latest to launch a new government and National Assembly at the same time.

[Chon] When the president remains the head of the ruling party, arguments over whether the legislative is the servant of the administration follow without exception. How will you readjust relations between the government and the National Assembly at the same time.

[No] I will faithfully adhere to the textbook operation of democracy according to the principle of mutual independence of the three powers—the legislative, the judiciary, and the administration. When autonomy is granted to the political parties and the cabinet, the assembly and the government can maintain smooth relations. Toward this end, intraparty democracy is very important. When the DJP develops into a party in which opinions of the

lower echelons are smoothly delivered to higher echelons, the function of checks and balances between the assembly and the legislative will be maintained. It is, of course, important for me not to seek selfishness but to play the role of coordination.

[Chon] In connection with the democratic operation of the DJP, are you considering employing such factional politics as seen in the LDP of Japan?

[No] First, I will introduce the system of public competition in selecting the next presidential candidate and key officials to improve the character of the DJP. I believe that in this case, diverse views will be presented and personnel lineups will be formed according to policies and assertions over the course of public competition. For example, factions can be formed according to differences between conservative and progressive lines and between a policy with priority given to stability and a reform-seeking policy. Therefore, I believe it natural for factions to reasonably emerge in the process of a party's growth and development.

[Chon] While pledging to manage state affairs in a suprapartisan way, you have said that you would boldly hire even opposition figures if they possess abilities. By that do you mean to win opposition forces over to your side? If not, do you mean that you would accept their opposite views?

[No] In the last election, we learned many lessons. National discord and regionalism were serious. All of us commonly recognize that measures for democratic harmony are urgent. I will boldly accept the opinions of the opposition camp, the minority, and the 63 percent of voters who did not vote for me. Of course, I will honor opposition opinions with a humble attitude if they are necessary for democratic harmony.

[Chon] You made a promise during the election campaign for a vote of confidence after the Olympics. Do you mean by this that you will ask the people to vote on their confidence in your achievements during the 8 month period following your assumption of office or do you have in mind revision of the Constitution for a cabinet system, as well?

[No] It would be going too far if I were to raise the issue of constitutional revision again at this juncture when the new Constitution has not even gone into effect, nor has the term of office of the new president begun. Asking the people's confidence again means that I will ask them to make an interim evaluation of me. By this I meant to express my earnest desire to carry out all the promises I made. I believe that even the presidential system can make use of the advantages of the cabinet system well. That is to say, we could delegate a considerable portion of the administrative authority to the prime minister and

the cabinet, disperse power so that the National Assembly, the Cabinet, and the political parties can become the scepter of politics, and operate the government in a flexible manner.

[Chon] Over the course of the last presidential election, the conflict between the people from different regions and different walks of life and different generations has been deepened, and the gap between them has been made deeper. Don't you think it necessary to bring about an epochal turn in the way of thinking and to establish measures for it to create an environment of trust, to establish morality, and to dissolve conflicts of various kinds?

[No] Toward the end of the last presidential election campaign, when other candidates mentioned many things indiscriminately with or w/o the election in mind, I thought of the consequences of the remarks they were making and made the "declaration of a new era of democratic reconciliation." The Center for Democratic Reconciliation will formulate measures that conform with the people's concern and expectations.

[Chon] What are the measures you have in mind for settlement of the Kwangju incident?

[No] The Kwangju incident represents the wounds and scars carried not only by the Kwangju residents, but by all the people. We should heal them expeditiously. I will see to it that the victims recover their honor and that the bereaved families receive due spiritual and material compensation. I am also considering having this national tragedy recorded in history and having a monument built to console the dead with the participation of all the people.

[Chon] You advocate coexistence with the opposition parties. In what manner are you planning to establish a relationship between the ruling and opposition parties?

[No] I meant to say that although we will compete with them in a constructive manner, we will widen the scope of our cooperation with them with respect for the will of the people who voted for the opposition candidates. I hope the opposition parties will participate in the Center for Democratic Reconciliation. Wouldn't it be good to let competent opposition figures participate in the formation of the new government? We will also forth the National Assembly election laws and the local autonomy system through serious dialogue and compromise with the opposition parties.

[Chon] What is your view of the possible emergence of a progressive political party? Don't you have any plan to help the emergence of such a party?

[No] I believe that to solve the structural conflicts and problems in a complex industrial society, a new world outlook and progressive slogans should be accommodated within the limits of the law. However, distinction

should be made between this and the leftism based on the theory of violence and revolution. I will render all the help I can for the emergence of a progressive party. But don't you think that the progressive forces can unite themselves through something like a reorganization of the opposition camp?

[Chon] How do you plan to operate the elder statesmen's council provided for in the new Constitution? Many observe that the existing state affairs advisory council is of little use.

[No] I admit that the function and role of the elder statesmen have been very difficult and not significant enough. As the elders' advice is important when a family is faced with a difficulty, so I will attach importance to the advice of elder statesmen.

[Chon] Some people are now concerned about the possible simultaneous eruption of all manner of demands and demonstrations and rallies that ride on the crest of waves called constitutional revision, which has promoted the basic rights and democratization. How would you cope with that?

[No] Their concern seems to stem from the possibility that the labor strife that followed the 29 June declaration might plague our society again and I am certain it will. However, I believe that it is a painful process that our society and system will have to go through to achieve maturity. Just as last year's labor disputes were overcome by our society's self-surviving ability and rationality, I am confident that we will overcome the feared eruption of another round of labor strife without letting it get out of hand. If the press and the intellectuals keep their balance and the middle class remains unwavering, the effect of the labor strife will be absorbed accordingly.

[Chon] How do you view the recent move by students and the situation on the campus as a whole? And what measures do you have in store for those who are left-leaning?

[No] It is a liberal democratic system and the people have commanded that I defend their community that elected me president. I will run politics in a way that responds to the left-leaning forces that resort to violence to get their way with persuasion and generosity, taming them to the point where they can be accepted by the system. If they still remain unacceptable to the system even at this point, I will harshly deal with them according to the public consensus.

[Chon] Would you be so kind as to tell us your vision concerning North-South relations, including, of course, the unification question?

[No] The ultimate goal of nationalism in our country is to achieve freedom for the entire people in the nation to enjoy. This being the case, our policy toward North Korea and the unification question should be more

creative and active. I would like to apply West Germany's "big brotherly policy" toward East Germany to North Korea, rendering it suitable to the situation prevailing in our country. What I mean is to take a tougher stand toward North Korea whenever necessary, to the point of exacting tears from North Korea, and shelter and forgive it when it comes to affairs that are tolerable. In this way, I plan to pave the way for peaceful unification before the end of my term of office without fail. My idea in this regard is to first sign a provisional agreement on the fundamental North-South relations and then push forward the cause of easing tension and of rendering a lasting peace on the Korean peninsula. I will exert efforts toward establishing a North-South community for cooperation by instituting a regularly-held North-South cabinet meeting and ultimately establishing a united democratic republic based on a unified constitution.

[Chon] What is your perspective on the world in 1988 and what kind of position do you think Korea will occupy in the world? Also, what direction do you think Korea will have to choose in the new year?

[No.] As has been demonstrated by the success achieved in the U.S.-S. Viet arms control negotiations, the era of cold war seems to have been replaced with a new era of detente on a global scope. In addition, Communist China and the Soviet Union will also take a more conciliatory stand toward each other and ease tension among the four major powers surrounding the Korean peninsula. Our country has now become mature enough to host the Olympics, the second country to do so on the Asian landmass. In terms of economic strength, our country now is ranked 20th. It has also become the 12th largest exporter in the world. We should make our country take a leading role as the central group in the international arena, not leave it a small country being kicked around by the major powers in the surrounding area.

[Chon] As a result of the stable prices that have continued for the past few years, the people's inflation-oriented psychology has grown less and their financial assets have greatly increased. However, a great amount of money was put in circulation before, during, and after the presidential election and land prices have risen. So, some fear that the foundation of the stability might be shaken. In particular, those in the middle class who are known to hope for stability have now become fearful of this.

[No.] The post-election inflation, the rise in the prices of agricultural products and other necessities of life, and fees for public services have all worked up to produce factors detrimental to the foundation of stability. Therefore, I regard stable prices as among the most urgent tasks in my economic policy.

[Chon] Many maintain that the government should drastically reduce directives to and control of business firms as the economy becomes increasingly internationalized and advanced.

[No.] I agree. The economy can be most effective when it is run reasonably. Now is the time to drop the government-controlled development policy that was necessary when our country was dirt-poor and encourage a completely civilian-run economic policy. My theory is that under no circumstances should the economic reform be radical.

[Chon] What plan do you have in mind to deal with U.S. economic pressure on Korea to open its market to U.S. agricultural products, cigarettes, insurance companies? At the same time, how will you accommodate the call from the younger generation to take a new stand toward the United States?

[No.] International interests are not unilateral. There is some give and take in them. A sovereign nation should calculate national interests with cold reason, while maintaining a stately attitude and identity. I believe that our country should play an appropriate role in the international community with open nationalism so as to become one among the groups of nations that play a central role in the international arena.

[Chon] You are known to like poetry and have a profound appreciation of the arts as a whole. What opinion do you have about the trendy arts by those who claim that even artists should participate in the real situation, this includes the so-called [national] division literature and mass arts?

[No.] On the whole I view them in an affirmative perspective. It is inevitable that artistic expression must take various forms. It is quite natural for artists and intellectuals to express their image of the era in which they live through the arts.

[Chon] What measure do you think you will take without fail to ensure a successful holding of the Olympics.

[No.] The larger the number of states that participate in the Olympics, the better. The next condition is to thoroughly prepare for the Olympics so as to make them sharpen the position of Korea among the world countries as clearly as possible.

[Chon] Do you plan to embark on summit diplomacy the moment you are sworn in? And is your policy toward Communist China on the right track?

[No.] It is natural for a president to be directly involved in diplomacy. I will actively attempt to improve relations with Communist China. We have a very good opportunity for this attempt—the Olympics. I will do my best to ensure that our country can establish a sort of trade mission in Communist China following the Olympics.

[Chon] What do you think you will do to remain friendly with President Chon Tu-hwan?

[No] Officially, he will be former president and an elder statesman whose experience attained during his tenure as chief executive will have to be tapped for use in running state affairs. This is how I will try to remain friendly with him. Moreover, the friendship we have cultivated since childhood is priceless, I believe.

[Chon] We are anxious to know what role your wife, Mrs Kim Ok-suk, will play in your presidency.

[No] She will remain the same person she has been to date—that is, the person who holds home together with harmony and a sincere assistant to me. I hope the name by which the first Lady [yongbuin] is called will be replaced with some other name more intimate sounding and more common.

[Chon] Many consider that the way Chongwadae is run will be changed a great deal. What do you think of this comment?

[No] I believe that the way Chongwadae has been run to date has left behind a strong impression that it has excessively directed and led state affairs from above. Viewed in light of the political system that has the president as its center, it might be inevitable. Nevertheless, I will try to make it an office that has the properly working function of heeding and reflecting voices coming from below. For example, I will change the image of Chongwadae from a symbol of power into that of spokesman for the people.

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Reconciliation Group Discusses Ways To Heal Kwangju Scars

Discussion at Congress
SK230057 Seoul *THE KOREA HERALD* in English
23 Jan 88 p 2

[“Excerpts of remarks on Kwangju incident from the third full congress convened by the Committee for the Promotion of Democracy and National Reconciliation on 22 January”]

[Text] We can approach the incident from three dimensions—first as a historical tragedy; second as a revolt by people in Cholla-do provinces to resist unfavorable treatment; and third as an ideological event which set the qualitative tone for the antigovernment movement of the 1980s.

As a historical tragedy, it features the merciless actions of armed troops against Kwangju citizens and students, the armed resistance to the troops by the citizens, and the loss of countless lives.

To heal the scars left by the tragedy, a political decision should be taken and the wrongdoings of the Fifth Republic should brought to light. Along with this, those who are responsible for the incident should be punished.

To expose the truth of the incident, a special investigation team should be formed. Then, assistance should be given to the civilian promoters of building a memorial tower.

The incident should be upgraded as “righteous uprising” equivalent to the April 19 Student Uprising. The honor of the victims of the incident and their relatives must be restored and compensation paid with funds collected from the entire people.

The incident can never be resolved in such a way as construction of a memorial tower for the victims or provision of scholarships or donations to their relatives. A resolute stance is required that everything can be redressed if it is meant to promote national reconciliation.

The incident would not be resolved only with the construction of a memorial tower and some other things. Big changes are required to achieve national reconciliation.

A decision whether to form a probe team should be made before the end of this meeting. Without the resolution of the incident, it would be difficult to realize national reconciliation.

To this end, all of us should see a film on the unprecedented incident. There are still many persons who are suffering from injuries they sustained during the incident.

There is a book on the incident. In the book, a Catholic priest suggests ways of resolving the incident. He proposes that each side make concessions. What draws concern is the number of mission people rather than that of those killed.

I consider it important to decide who will be in charge of resolving the incident, the incumbent President or the President-elect.

We should collect more material and see a film on the incident for more study on it.

There are three viewpoints in seeing the Kwangju incident. The first alleges that the incident was premeditated by the leadership of the Fifth Republic to take power; the second is that it was generated by supporters of Kim Tae-chung who conspired to incite a civilian uprising; and the last one sees that it was provoked by armed paratroopers who used “excessive” physical strength in bringing peace to the city.

If we take the first viewpoint, it means that the troops were the insurgents who caused the unrest. An endorsement of second position would not be tolerated by the Kwangju citizens. Therefore, the only stance we can adopt is the third one which alleges that inordinate use of physical force by the military touched off the incident.

Our effort to resolve the tragic incident must be based on such a recognition. We have to clarify the "facts" of the incident first. So I propose that we see the films of the incident taken by CBS-TV of the United States.

I think the Kwangju incident is not the sole task that this committee should tackle. There is no denying the significance attached to it, but I propose that it be discussed first at the relevant subcommittees.

It is not desirable that a dark shadow is cast over the new president by an unhappy incident of the past. The heaviest yoke for the new president is the Kwangju incident. I used to be an acute critic of the outgoing president, but now I respect him because he will retire after a single term.

It would not be wise for the incumbent president to hand over his yoke to his successor. If he walks out with all the past yokes and wrongdoings on his shoulders, our people will pay him endless respect. I think we will have to make recommendations to the outgoing president as well as the new president.

I agree to that idea 100 percent. When the scars of the Kwangju incident are healed by the outgoing president, I think the future of this country is bright.

I think it is only Kwangju citizens and Cholla-do people who can really resolve the incident. Those from other parts of the nation cannot deal with it. I propose the committee convey our resolution to the outgoing president that he should take the initiative in solving the problem.

But the purpose of this committee is to make suggestions to the new president. What can the incumbent president do, now that he has only a month left in office?

It will be, of course, desirable that the president-elect accepts what we recommend. However, if things don't go that way, it will only be a burden on the next head of state. I am afraid we will not be able to make suggestions on ways of settling the issue before the president-elect assumes office.

According to the original purpose of the committee, we are not to make suggestions to the incumbent president. But if possible, we had better transmit our views to him even though unofficially.

It is a very sensitive issue who assumes the responsibility. We have yet to know by whom the citizens of Kwangju want the incident to be solved. We need more study.

In addition, second thoughts should be given to forming a research team for the Kwangju incident. Taken imprudently, it will only aggravate the situation. It should be further debated whether we need to probe the incident.

The incumbent and the next president are from the same political force. Thus, it would be better if the new president could apologize for the incident, thereby relieving the burden of the outgoing president.

Panel Debates Ways To Ease Antagonism
SK280239 Seoul *THE KOREA TIMES* in English
28 Jan 88 p 2

[Text] The Democratization and Reconciliation Council yesterday held a free-wheeling debate on ways to ease regional antagonism, revamp government organizations, prevent corruption and irregularities, and revitalize the role of the mass media.

All three panels of the 55-member council simultaneously held meetings to delve into these problems for the promotion of democratic reforms.

The council, charged with mapping out a blue-print for democratic reforms to be carried out by the new government, will receive a briefing on the progress of the government's preparations for taking lenient measures for political detainees from the Justice Ministry today.

It will also hear views from the Korean Bar Association on possible judiciary measures for those detained for political reasons.

The council will later hold a debate on the political neutrality of the military and improvement of the personnel management system in the bureaucratic society.

It had an extensive forum on human rights, especially on ways to prevent police torturing of criminal suspects and judiciary body's independence from outside influence in a session Tuesday.

Kim Tu-hyon, assigned to the human rights panel, claimed that president-elect No Tae-u should make a declaration on the full guarantee of human rights upon being inaugurated as the chief executive.

Kim particularly said that the new president should clarify his willingness to prevent police torturing of criminal suspects when he is sworn in as the president.

Yi Ho-chang, a former chief justice, called for the presence of lawyers for criminal suspects in the entire course of police interrogation as a practical way to fully guarantee human rights.

Kang Yoon-hun, former ambassador to Britain, asserted that a legal apparatus should work to keep officials responsible for torturing from remaining in the public posts after the change of government. Yi Han-pin, former deputy premier-economic planning minister, asserted that the new government should ban intelligence agency officials from being stationed at administrative agencies and mass media institutions, even to gather information.

Kim Yong-sik, former foreign minister, claimed that the replacement of judges should be made by the Chief Justice after getting the approval from the judiciary committee of the National Assembly.

In the subcommittee session on a more democratic press, No Chong-hyon, a professor at Yonsei University, recommended that the state-run KBS 2 TV channel be privatized.

Tasks for 3 Panels Outlined
SK230045 Seoul *THE KOREA HERALD* in English
23 Jan 88 p 2

[Text] The Committee for Promotion of Democracy and National Reconciliation yesterday decided which subjects its three subcommittees will deal with.

The subcommittee on democratic development will handle such issues as promoting democratic principles in all social fields, improving organization and operation of administrative units, and ensuring the autonomy of various social entities.

The panel will give first priority to eliminating authoritarian practices and establishing democratic party policies.

The subcommittee on national reconciliation will mainly handle the ways of settling the 1980 Kwangju incident.

The panel is also to deal with such topics as a grand amnesty, and eradication of provincial animosities.

Meanwhile, the subcommittee on social reform will work out measures against corrupt or irregular practices by public officials and in other fields.

The panel is to study methods of improving labor-management relations, and realizing social justice.

The pan-national committee will report on the results of its activities to President-elect No Tae-u on Jan. 23.

PPD Finalizes Election Revision Bill
SK230149 Seoul *THE KOREA TIMES* in English
23 Jan 88 p 2

[Text] The Party for Peace and Democracy [PPD] yesterday finalized its revision bill on the Parliamentary Election Law featuring the small constituency system under which one lawmaker is to be elected in each constituency.

The bill calls for redrawing the electoral zones generally on the basis of the original administrative division with each district having an average of 150,000 residents.

The smallest constituency will have a population of 70,000 while the largest will have 230,000.

The nation will be divided into 302 constituencies, thus electing 302 parliamentarians from local districts.

The total number of Assemblymen will reach 363, as 61 lawmakers are to be elected under the proportional representation system.

The 61 seats will be distributed to parties which produce at least five parliamentarians or clinch more than 20 percent of all eligible votes.

DJP Favoring Small Constituency System
SK220231 Seoul *THE KOREA TIMES* in English
23 Jan 88 p 1

[Text] A small constituency system is likely to be revived in the coming general elections after 16 years as the ruling party shows an inclination to the formula long favored by opposition parties.

Democratic Justice Party sources said yesterday that its leaders have decided to "broadly" accept opposition demands in talks on the revision of the Parliamentary Election Law.

Ruling camp strategists believe that the small district system electing one lawmaker from each constituency has the strong possibility of giving the DJP an absolute majority in the face of an opposition split.

Thursday, DJP chairman Chae Mun-sik strongly hinted that the party may abandon its unique formula of electing one to four Assemblymen from each district, saying, "We will change some positions on secondary matters in case the opposition accepts our February elections plan."

The DJP has thus far preferred to hold the elections next month while major opposition parties want April elections.

DJP floor leader Yi Tae-sun told reporters that the current extraordinary House session would be extended for about a week, providing the rival parties could not pass the amendment bill during the original 12-day sitting ending Friday.

Informed party sources have said that the alternative to the controversial DJP overture is the "pure" small constituency system.

The blended formula invented by the government party is that one is elected from each of 161 smaller districts, mostly in rural areas, and two to four from 150 other populous districts.

The opposition branded it a scheme to sweep all the rural areas and share at least one seat in urban areas. A general trend shows that the ruling party is more popular in farming and fishing communities.

At a time when the opposition division is in such a bad shape, the small constituency system is regarded as the "second-best" strategy to gain more than half the Assembly seats.

The turn-around is largely based on a forecast that there is a slim chance for Kim Yong-sam and Kim Tae-chung to unite or nominate only one candidate for each district.

One more reason is that nothing but the small electoral district system will reduce the backwash when the ruling party is driven to railroad a revision bill by means of its majority power, possibly to be joined by one or two opposition parties.

The small district system was abolished in the authoritarian "Yusin" reform by the late president Pak Chong-hui in 1972.

A DJP spokesman suggested that the party would pass the revision bill by force within the current House session for the February elections if opposition negotiators refuse compromise.

Only Kim Tae-chung's Party for Peace and Democracy supports the small constituency system, boosted by the fact that the opposition leader ranked first in 70 out 245 ballot-counting stations in the December presidential poll.

The number was twice the district that registered in first place Kim Yong-sam, the first runner-up to president-elect No Tae-u.

The other option allowed for the DJP is the collaboration with Kim Yong-sam's Reunification Democratic Party for the adoption of the medium-sized constituency system.

A senior negotiator said that, if the choice is left at the discretion of incumbent lawmakers, the medium-sized system would be passed by the legislature as it imposes less risk than the small constituency system under which the second is meaningless.

However, a growing number of DJP strategists appear reluctant to seek the RDP support because the system may help beef up the 51-Assemblymen party, in the coming elections.

Rep. Ko Kon, who drafted the original DJP formula, said that if the medium constituencies are taken, there should be an institutional mechanism guaranteeing political stability such as lopsided allocation of seats from the national constituency for the first party.

"If the opposition parties agree to a favorable allotment for us," he said, "We will positively consider the medium-sized constituency system."

As to the timing of the elections, some of No's staff still insist on holding them after his inauguration in order that the next president have full authority in nomination without offering a share to the present President.

They reasoned that it was "impractical" to hold the elections next month unless the rival parties pass the amendment bill with next week.

Question of Democratization as Reform or Revolution Discussed
41070007 Seoul SIN DONG-A in Korean
Oct 87 pp 140-153

[A special argument written by Professor Ch'oe Chang-chip of Koryo University: "The Barriers to Democratization"]

[Text] The writer has been given the following questions by SIN DONG-A in order to examine what has been happening since the June incident, and exactly where we are heading today in the so-called democratization process: 1) Where and why has the rumor of the September crisis originated? 2) How should we regard the present schedule of the democratization process? 3) What are the facts of the labor-management dispute and what is the most desirable direction for the labor movement? 4) What are the facts and outlook of the student movement and the labor-student collaboration?

Needless to say, the above items make up the most important issues in the democratization process and the political situation thus far since the June incident and the August incident (we shall refer to it this way for convenience) wherein the industrial crisis was developed by the labor-management dispute that became a nationwide explosion from the end of July. But since these issues are considered to represent only the surface of the complex political situation in the whole process of

democratization, we must examine the interrelationships within the entire situation and those issues. Therefore, first of all, it is important to find a topic that can thread through these individual issues. In other words, we must identify a topic that can explain the process of political changes and the direct confrontation between the national or people's anxiety for democratization that was expressed during the incidents of June and August and the conservative power that wants to preserve the old system from the heat of revolutionary changes. It is precisely in the word "democratization" that we can find the meaning of the ideological power of politics, which enabled the democratic system or people's power to bring a sudden political change after the June incident which could even be considered as a glorious revolution. In view of this, we cannot help commencing our discussion by questioning the precise meaning of democratization. The true meaning of democratization, which unknowingly causes such dramatic changes in politics, could be far different from the word democratization as generally understood by either the general public or the politicians of the ruling power and the opposition circles, which conduct and lead political negotiations centered on the issues of constitutional revision.

What Is Truly Meant By Democratization?

First of all, democracy can be classified into two levels of understanding, procedural democracy and practical democracy. Procedural democratization is a systematization of the political confrontation rules that are agreed upon among the social forces, and which is centered on a political and systematic democracy.

Since the independence of our nation [from the Japanese occupation], we have long experienced an authoritarian political system. In particular, we have observed suppression or abolition of democracy through the strengthening of the developmental dictatorship or a technically administered military dictatorship since the era of the Revitalizing Reform was established in 1972. We have experienced political oppression which restricted or deprived the citizen's fundamental rights and suppressed progress of the basic democratic system, such as functions of the competitive election system, political parties, profit-seeking organizations, and the National Assembly. Maintenance of the authoritarian political system was made possible by political and social control techniques in all areas of our society, which were centered on the powerful forces of the government. Under such an authoritarian system, all the political and social issues were politically manipulated in the name of growth and progress based on security, stability, and technical efficiency.

Therefore, procedural democratization means expansion of the current framework that guarantees the people's right to participate in politics. A right which has been restricted by the combined forces of the ruling circles under the authoritarian system. Such a procedural democratization can be seen also as a political process

that reverses the politically-manipulated problem areas of our society. Thus, democratization of this type is based on acquisition and transition of political power through a free competition among political parties and through a fair election. However, in order to accomplish this, we must first allow the free formation of profit-seeking organizations under the political parties and their independent activities. In addition, individual citizen's rights to participate in politics must be guaranteed. In other words, democratization means formation of a representative system suitable for the benefits and forces of society, through which politics works.

The confrontational situation at this level of procedural democratization has been strengthened since the end of the era of the Liberal Party, and under the system of the Revitalizing Reform and in the 1980's. At the same time, such a confrontational situation was expressed in the form of conflict between authoritarianism and democracy through the confrontation between the combined authoritarian forces and the combined forces of democratization. Until the June incident and the No Tae-u declaration of 29 June, members of both the government party and the opposition circles in general understood the meaning of democratization at this level.

But the important fact is that the content and structure of the social forces, which serve as the foundation of democratization and lead such a movement, have experienced a dramatic change that is fundamentally different from the past. These social forces are heavily based on the class structure that has been formed and reinforced by the expansion and growth of the government-centered capitalism and by the strengthening of a vertical consolidation of the capitalist society toward the system of worldwide capitalism through an externally oriented industrialization of capitalism under the government leadership. Therefore, the systematization of the rules of the democratic political game means formation of a systematic framework wherein the people's participation in politics is guaranteed. This has been suppressed not only politically but also economically by the combined ruling forces under the authoritarian system.

From this, we can extract the meaning of the second-level of democratization or practical democratization. Therefore, in essence, democratization means a process and system which can guarantee conditions for a basic standard of living to the extent that the social and economic inequalities can be worked out through voluntary agreements with the low-income class of our society including the laborers, who are a product of an underdeveloped capitalist society that relies on external sources and suppresses labor. Such logic led the political democratization to include economic democratization as a key issue.

Thus far, practical democratization has, through rapid industrialization, expanded tremendously, in terms of quantity, but the demand has been continuous and with an increasingly amplified public voice, including urban

laborers, urban needy, the low-income middle class, and peasants, who have been alienated from the center of the economic growth, and never had a communication channel through which political demands can be expressed. Such a growth in the public area can be regarded as a social condition that supported a rapid expansion of the people's movement and the democratization movement and was centered on the opposition circles including students, workers and politicians, who altogether made up a political force outside the system. After all, such an expansion of external power has reached a point where it threatens the current circle itself which has become a politically limited system.

Based on government-centered monopolistic capitalism and the establishment of capital accumulation, the democratization at this level has been expressed in the following two forms: the economic democracy that emphasizes a fair social distribution of income and wealth; the growth-oriented democracy that supports the growth-first ideology. The history of the democratization movement at the procedural level—in other words, the historic conflicts between dictatorship and democracy—is much longer than that of the practical democratization movement. While the former is considered to have already begun in the form of the 19 April revolution which exploded at the end of the Liberal Party era in the late 1950's, the latter occurred when the capitalist industrialization of the late 1970's and early 1980's [as published] started showing its real effects on the society. Thus, when the meaning of today's democratization in 1987 is viewed from both sides—procedural democratization and practical democratization—the meaning of democratization in the spring 1980 is entirely different from that of the 19 April revolution.

From this viewpoint, we can learn that while the No Tae-u declaration of 29 June provided an important breakthrough toward democratization only at the formal and procedural level, the declaration is silent about the directions and details of the practical democratization. The opposition party represented by Chairman Kim Yong-sam, too, is lacking in programs or secrets relating to practical democratization.

Thus, today's democratization that must contain both levels of democratization includes the process in which the military elite, who maintained and developed political authoritarianism and the foreign-supported government-centered monopolistic capitalism, the upper-class bourgeois consisting of the industries run by the plutocrats, and the members of the powerful unions centered on technical and bureaucratic elite must really yield or give up their political privileges and their share of the economic growth—no matter how big or small—to the general public. If we say that the essence of the June incident was the explosion of the procedural democratization in the form of dictatorship vs democracy, the essence of the fierce labor-management dispute that has exploded nationwide since August can be seen in the

challenge of practical democratization against growth-oriented ideology. If the democratization at these two levels cannot be combined into one democratization, how could we maintain a peaceful society and political stability?

The Rumor of the September Crisis: Where and Why?

The rumor of the September crisis can be understood as an expression of fear, symptomatic of the possibility that the politically charged hard-line military sect and its political allies who have temporarily retreated since the June incident will invoke their legal power, will reverse the current democratization process that has been in progress since the June incident, and will return to a military dictatorship. Above all, this rumor of the September crisis is directly connected with the characteristics and meaning of the June incident.

The June incident was made possible through the formation of an unusual alliance of the widespread democratic forces centered on the combination of the general public and the middle-class who were led by the students. It is not even necessary to emphasize that the incident was supported by the public forces which have been thus far excluded and alienated politically and economically under the systems of authoritarianism and the government-centered monopolistic capitalism. The middle class, too, have formed social organizations on a broad scale based on the commonality of occupation, functions and professions that have, because of industrialization, expanded quantitatively and with wide variety. And through these organizations, they strongly demanded a political democratization in which they can realize not only the special benefits but also the common ideology and standards of democracy. The merits of the June incident were indeed great. Perhaps, the greatest foundation of our society that advocates and supports procedural democracy could be the middle class. During this period, the current opposition parties, as a political spokesman for the middle class, could extend their ties with the public and raise their voices.

Also, the general public and the middle-class' demands for democratization were confronted by the authoritarian government organizations that have grown excessively fat in the 1970's and 1980's—in other words, by the strengthening of the government organizations that carry out political, authoritarian and ideological functions. Such an expansion of the government organizations was possible only through the accumulation of capital in the public sector which grew with the help of the government's unlimited supports and through the government's exclusive use of a fixed portion of the economic resources. Therefore, in order to maintain the system, a continuous use of strong measures is still possible without the military intervention in politics at the last minute of crisis, and the police force alone, whose power has grown tremendously, is sufficient to control the social order.

After all, however, the ruling forces, which possess a vast authoritarian government organization and legal power, could not crush the formation of the public and democratic allies, which was even bigger than that of the government. Hence, the June incident was possible. On the other hand, however, the allied force of democracy was not strong enough to demolish the authoritarian system. The No Tae-u declaration of 29 June actually arrested such a deadlock in time. Considering that the No Tae-u declaration was issued before both forces clashed in an all-out confrontation—in other words, before the ruling force has not yet mobilized all the strong measures that it would use and at a time when all the democratic and public forces were mobilized, we can consider this as a sort of temporary ceasefire (modus vivendi) with a second round to come.

If the military forces had been mobilized as an emergency measure during the June incident, if there had been no declaration of 29 June, if the June incident and the August incident had not occurred in sequence, and if the public force centered on the urban laborers had joined the large-scale movement of the urban middle class to launch an explosive mobilization like the August incident, the results would have been far different from the situation we have right now. Anyway, this temporary ceasefire could serve as a stepping stone to a permanent peaceful negotiation through a successful democratization, or it could serve as a preparatory period during which the two confrontational forces can concentrate their power and seek an advantageous point for attack. In this regard, the No Tae-u declaration can be understood as a turning point.

From the ruling circle's standpoint, however, the No Tae-u declaration can be evaluated as a strategic victory. This is because the No Tae-u declaration was an effective prescription for breaking up the mobilization of the public and democratic forces when they were about to reach their climax. The No Tae-u declaration opened a new chapter for democratization while providing an atmosphere where the problems of the procedural democratization at the confrontational level of dictatorship vs democracy were being resolved at one stroke. At the same time, none of the strong organizations of the authoritarian system received any shock or damages from the June incident.

Thus, within the ruling circles, the moderates or the conservative reformists that are represented by Chairman No Tae-u are in a situation where they must confront strong challenges from the conservative hard-liners centered on the government bureaucrats and the military hard-liners, depending on the circumstances, since the restoration of the political crisis resulting from the June incident. Only under the conditions where the existing ruling allies can be assured of their seizure of political power through the election, can the moderates possibly obtain passive support from the conservative hard-liners. Therefore, their relationship is a very unstable cooperation that can sensitively absorb the changes in the political situation.

The current and Strategic Sides of the Crisis Rumor

The labor-management dispute, which exploded almost simultaneously nationwide just 1 month later after the June incident, was threatening as expected. It had discriminating effects. It was a threat to the system of the conservative hard-liners and the industrial plutocrats. It was also a threat to the moderates of the ruling circles and the current opposition politicians, but could be understood as the pain of the democratization process in labor-management relations which must accompany the process of political democratization.

If the industrial crisis since August is indeed not a threat, making it look like a threat could help the conservative hard-liners and the industrial plutocrats. While experiencing the August incident, the key groups of the combined ruling forces, including the technical bureaucrats in charge of the government's administrative organizations, political elites in charge of strong forces, military hard-liners, industrial plutocrats, and their allies in the government press organizations which focus on ideological functions, saw the fact that the two sides—procedural democratization and the practical democratization—cannot be separated but are rather closely connected with each other in the real process of democratization. The ruling class of the capitalist society and those involved in a system of political authoritarianism have learned the fact that procedural democratization must accompany economic democratization. There must be a condition where they will yield political rights and social privileges as well as economic profits—no matter how big or small—in order to realize democratization.

As students return to the campuses in September and as the student movement coupled with strengthening of the so-called labor-student alliance at the workplace increase political challenges against capitalists and the combined ruling forces, it is possible to predict a greater possibility that such challenges will become the key factors behind a serious crisis and that the military forces can ultimately be mobilized. Under such circumstances, it is highly probable that the present government administrators and the conservative hard-liners will make a magnified assumption that the people's democratic forces will refuse the democratization process through negotiation and election led by both the government and the opposition parties of the system and that they will instead attempt to overthrow the present system through a people's revolt. In such a case, they could resolutely take the position that they would utilize all possible ways and means to prevent it from happening.

Even if we believe that the rumor of a crisis basically comes from the conservative hard-liners of the ruling circles, we do not know whether this has any connection with the fears of monopolistic capitalism which might result in an industrial crisis, providing conditions for strengthening the relations between the monopolistic capitalists and the conservative hard-liners. Thus far,

while growing fat as a prime beneficiary of the economic growth, the monopolistic capitalists have begun to rise as a vast potential power not only in manufacturing but also in politics. We cannot find a single case [in our history] wherein such monopolistic capitalists have shown a positive attitude or made a positive contribution to the free democratization.

The rumor of the September crisis carries both systematic and strategic or tactical sides. It is systematic because of the fact that the government's security and strong organizations have grown so excessively big and efficient that they can intervene in politics if necessary when internal agreements are reached or the moderates are in a weak position. It is strategic because it can strengthen the position of the ruling circle's hard-liners and obtain more compromises from political negotiations with the opposition. It weakens outside movement forces including students, laborers and the opposition activist circles, and it can induce the middle-class to become unsympathetic toward the opposition activists.

How Should We Regard the Democratization Schedule?

The June incident and the No Tae-u declaration of 29 June can be evaluated as an important event in political history, which identifies another era since it reflects and summarizes the structural changes of the Korean society. Here, it is necessary to examine this problem in connection with the issues of the democratization schedule, which is our topic.

From the writer's point of view, the democratization schedule, which is currently in progress and might last several months to 5 to 10 years, can be characterized by the process that is accompanied by a fascism that is dormant. The future process of democratization, on one hand, can be understood as a process of democratic systematization aimed at containing the demands and interests of various social classes and the social forces, which have, thus far, been expressed and mobilized within a given systematic framework. On the other hand, it can be understood as something that contains the reactions of the conservative force that continuously threatens or attempts to reverse the democratization process. In other words, these two conflicting sides can be seen as the two sides of the same process called democratization. It is assumed that the future democratization process will be such that democratic reform will be restricted in an atmosphere generated by a fascist-like crisis of reversal. Furthermore, as the magnitude of practical democratization, which can challenge the interests of the combined forces of the old system, gets bigger and bigger, it is expected to become more and more dangerous. Here, it is necessary to add some explanation to the writer's references to "fascism" which threatens democratization.

Many people fear the so-called "recurrence of 1980" which reversed the "Seoul spring" of 7 years ago. Using other reasons, the conservative hard-liners and their

allies could stir up, make up and utilize such fears. The possibilities of another interference in politics by the military hard-liners become greatly reduced for the following reasons: the U.S. policy against military interference in politics, the fast-approaching Olympics, difficulty in agreeing within the ruling circles, the changing viewpoint of military officers who consider military interference in politics undesirable, and above all, the expansion of the people's democratic power which leads to the prediction that another military interference in politics would pay a high price including bloodshed.

Although many people like to compare the recent events with the event of 1980, there are fundamental differences between the two. In particular, the mass communications negatively describe the problems of the two or three Kims in terms of their presidential candidacy while firmly establishing the similarities of the incidents with that of 1980 and stressing the "recurrence of 1980." At the same time, the mass communications omit explanations about the key reasons of the structural changes, such as the vast expansion of the people's democratic power that made the incidents of June and August possible. And the conservative hard-liners, who might be tempted to mobilize the military in emergency, will have to be aware of the fact that another military interference in politics is impossible without risking a downfall of the military itself, as well as an irrevocable destruction of the entire nation.

Knowing that the aforementioned items are conditions that make military mobilization difficult, how could the ruling force of the old system maintain its own power which has been in a state of crisis since the June incident? The method is ruling by "mobilization of fear" and the utilization of ideology. These two elements, among many, are indissoluble from the characteristics of a specific form of political system called fascism.

The political system prior to the June incident was characterized by its suppression of people who have been effectively excluded from politics through the utilization of the overwhelming power of the government. However, the incidents of June and August provided a revolutionary opportunity wherein almost all democratic and the people's forces were mobilized into the democratization movement and politics. The ruling method that solely relied on power could no longer maintain its past efficiency.

An Attempt To Induce the Middle-Class to the Conservative Circle

Here, it is particularly noteworthy that the democratization movement that is reflected in the June incident was a national-scale movement and was made possible through the combined forces of all classes of society, and that the active participation of the middle class especially played an important role. At present, the middle-class movement commences when the fear and the ideological issues rise to surface. With the help of a rapid

capitalist industrialization, the middle class, too, grew as a vast social power along with the expansion of the ruling upper-class circles and the low-income people's power. They are the people who learned anticommunist ideology, hate radicalism, and actively support growth-oriented progressivism. At the same time, they oppose political authoritarianism or dictatorship and support democracy. In other words, while they were important supporters of the procedural democracy, they were very passive in the reform process through the practical democratization. They are characterized by their support for democracy only under the conditions that can guarantee maintenance and continuity of their stability, growth and their share of social profits.

Because of these factors, the middle class can become a strong democratic force when they are assured that politics will function in a normal, stable manner, or when they can clearly predict such a condition, or when the interests of the old system can be safely protected in the event the issues of the procedural democratization have no impact on the practical democratization. However, when it is determined that there is a political crisis or a situation where their social relationship within the existing system is threatened, they have frequently shown the opportunistic characteristics of supporting the maintenance of the system rather than a reform.

It was this point in time when the combined ruling forces of the old system, especially the conservative hard-liners, attempted to separate the middle-class from the combined forces of the people and democracy, and thereby realize their plans to induce the middle-class to be a conservative force for the maintenance of the old system. Perhaps, such an attempt can be summarized as a strategy designed to veer the middle-class to the right side through the method of fear. It can be characterized as an attempt to stir up the psychological fear of the middle-class by translating the temporary disturbances of social stability and the industrial crisis, which have recently resulted from the demands for democratization from the underclass of our society, into something that will systematically and economically ruin security, stability and growth. The rumor of the September crisis, too, is not unrelated to an attempt to generate fear.

Possibilities of "Democratization for the Maintenance of the Status Quo"

It can be said that such an atmosphere provides for an environmental background for constitutional revision and political negotiation, which are being pushed by both the ruling reformists, who are represented by Chairman No Tae-u, and the current opposition Reunification Democratic Party, which is represented by the Chairman Kim Yong-sam. In addition, thus far, they have promoted a systematization of "democracy for the maintenance of the status quo," which is centered on an extremely limited procedural democracy through negotiations. As seen before, aside from the practical democratization which requires a structural reform, such a

democratization has become a process that greatly limits the extent to which the political representative system, which is now called a systematic circle in a critical sense because it has become extremely narrowly systematized, can be extended even at the level of the procedural democratization.

Needless to say, this political representative system takes its form through political parties and their lower-level profit organizations. The magnitude of the procedural democratization depends on the extent to which such political systems can organize and represent social interests that have become functionally broad. And at the same time, it depends on the magnitude of democracy that can be realized within the system, how independent the system's activities are from the restrictions of the government and its power, and the magnitude of the political parties' dependency on such independent lower-level organizations. It is a well-known fact that the current parties, including the government and the opposition parties, which have thus far become narrowly systematized, have not had any meaningful relationship with the non-systematic forces of society composed of a wide range of social, economic and political interests, which have expanded to several times the size of the political parties. From the viewpoint of procedural democratization, the June incident can be considered as a movement wherein the non-systematic forces of the society, which did not have a political representative system that could protect, organize and represent their interests, demanded an extended opportunity for their political participation.

Under such conditions, in order to obtain a more extensive social relation and support base, the current opposition party represented by Chairman Kim Yong-sam has been maintaining a conservative attitude by attempting to protect the existing interests rather than trying to pursue an internal and external reform of the party's structure, which has not had any public connections thus far. Needless to say, such an attitude cannot contain the eager demand for democracy, which was expressed through the incidents of June and August. The conservative reformists of the ruling government party, too, are faced with a close contest against the hard-liners' seizure of hegemony from the beginning of the No Tae-u declaration. In fact, the reform of the current press, which was one of the key organizations for maintaining the authoritarian political system, as proclaimed by the No declaration, is still far from reality, and most of the prominent figures of democratization movement under the old system still remain imprisoned.

Thus far, during the so-called democratization process, the current opposition party has been more passive and impotent than the ruling government party on the two key issues—the issues of the military and the labor-management dispute. In fact, the democratization in process is so similar to the process of maintaining the military's neutral position in politics that the latter can be considered as a key element of the former. This is

because the key element of democratization is to assure that the military, which is the strongest power of the society, will not intervene in politics and veto the democratization just because the results of the conflicts and competition among social forces do not agree with the military's own interests or objectives.

The current opposition party must clearly understand the fact that an attempt to suppress the military interference in politics is not a gentle attitude but is rather an expression of a bold attitude that is supported by the people's ardent wish for democratization. If not so, how will the current opposition party be able to maintain its political independence from the military's continual threats of interference in politics, pressure and guardianship? As stressed earlier, the current opposition party will have to be deeply aware of the possibilities of reversal of the democratization process for a long time into the future.

The crisis will occur not only in September but will continue to occur in October, December, and February. It might even continue for the next 5 to 10 years. Considering just the short-term period, we can think of many critical possibilities similar to standing at the edge of a cliff from the election until the presidential inauguration date. In the long-run, we must expect to encounter such crises numerous times if the new president is to pursue a reform for the practical democratization.

Furthermore, the current opposition party has been completely impotent in dealing with the industrial crisis since August. Regarding the problems of labor and plutocrats, in other words, regarding the problems of the practical democratization, what could we expect from the current opposition party? Insofar as the current opposition party takes such a position and structure, even if it becomes the ruling power through the so-called "election revolution," we cannot help being worried about the possibility that it will be combined with the old system which is centered on the vast government organizations, bureaucratic groups, the military, and the plutocrats and that it will work toward completing "democratization for the maintenance of the status quo." If it does not take a moderate line, it will be confronted with the danger of reversal of democratization caused by the strong force's intervention. If it cannot adopt a positive measure to contain the people's demands under such circumstances, what could be the meaning of such a democratization? And how can we overcome the chaos resulting from this?

Actual Conditions and Directions of the Labor Movement

The labor-management dispute that is abbreviated as the August incident is something that was never seen before on such a scale. In view of the fact that the labor movement could stop the normal process of industrial production, it marks the first such event in history, and it took the form of a real threat that is equivalent to the

effect of a general strike in foreign countries. Comparing the August incident with the industrial crisis of the "spring of 1980" only 7 years ago, we can find a vast difference. The difference is vast in all areas, including the scale of [workers'] participation, the extent and speed of its spread, and the size of demonstrations.

But in terms of the movement's contents and characteristics, we might be able to regard the labor-management dispute of August as a moderate one in general. This is because the incident was a natural all-out eruption of [workers'] demands from the bottom, and because the workers did not cry for any radical political slogans or resort to violent methods to pursue a revolutionary objective.

However, the political and economic meaning of the industrial crisis of the August incident is clearly significant. The fact is that the maintenance of the political stability and the social order has become extremely difficult insofar as this gigantic eruption of the workers' demands does not become appropriately systematized within the political representative system through the process of the procedural democratization. Furthermore, insofar as the workers' demands do not become realized in the form of a fair distribution of wealth through the practical democratization, we can no longer expect productivity and industrial peace from the key production organizations of society. In other words, without a simultaneous accomplishment of the procedural democratization and the practical democratization, the stability and growth cannot be attained. The workers who have already learned their vast power through group actions, and with their high spirit, can no longer be treated as in the past before the August incident.

As we watch the people's all-out movement and the eruption of their demands for political participation, we recognize the fact that it has now become extremely difficult for the authoritarian system to function properly. This is because the utilization of a strong power might be effective for a temporary maintenance of political stability and order, but it can no longer provide productivity through an industrial peace.

The August incident is an essential and structural product of specific capitalist industrialization, such as the capitalist industrialization in which industries depend on the external forces and labor is oppressed. It is the union between capitalists and the political force that is expressed in the form of the government-centered monopolistic capitalism, accumulation of capital and the capitalist's production-oriented privileged social relationship, the distribution system, and progressivism centered on growth-first ideology. Therefore, the labor-management problem that is reflected in the August incident has nothing to do with the relationship between the worker and the employer at the workplace of the production site, as expressed by the employers, but is the fundamental problem of politics and economics.

Therefore, the solution to the industrial crisis of August must be studied at two levels. To this end, it is necessary to first establish a workable program which will reorganize both the production and distribution systems, big or small, toward a welfare-seeking economic system that will realize an economic democracy, or social fairness centered on a fair distribution of income and wealth, rather than based on the growth-oriented labor-oppressive economic system. Such a program must also contain economic, industrial and labor policies. It must include policy directions such as the direction and magnitude of the government's intervention in the economy, the plutocrat's position and role in the production system, and the relationship with foreign capital. We must understand that the key issue of democratization was to move the issues, which remained outside of the democratic rule under the authoritarian system, into the democratic rule. The economic problem itself cannot be an exclusive possession of the economic technical bureaucrats who are basically political and possess the econometric expertise.

The key issue of democratization is to give opportunities and rights for political participation to the social organizations which have, thus far, been excluded from the politics under the authoritarian system. The most important of all is the issue of how to establish the role of the labor union as an organization representing the workers' interests. It certainly includes the two levels, the area of the labor-management relationship, and the restrictions of the labor union's role within the political system.

First of all, labor-management relations must begin with the following conditions: the workers must be guaranteed the three labor rights; and based on this, the labor unions representing the worker's interests must be guaranteed a free organizational structure and independent activities. Thus, it is about time to reexamine the basics of the labor union structure under the system of the Federation of Labor, which is a single summit organization formed at the top in order to make the government's authoritarian rule easy. At the political level, the labor union must be an independent political unit, which can: 1) independently choose a political party as a suborganization of the party (American style), 2) become a political party itself (British style), 3) form a second labor union from the workplace or the regional level to the highest level under the condition that the labor union's structure and activities can never be a government service (continental style), or 4) have a single structure at the level of workplace but a second labor union must be permitted at the highest level while observing the aforementioned condition (Japanese style). Regarding the basic directions of the solutions to such labor-management problems as mentioned above, we have not yet heard of any positive policies from either the government party or the current opposition party.

Regarding the industrial crisis since August, the government policy ranged from a non-intervention policy to the expanding its power to keep the public peace. We need

not stress again that such a policy is completely against the direction of not only the practical democratization but the procedural democratization as proclaimed by the No declaration. The evil practice of the old age which treated labor problems as a problem of public peace is still being used openly at a time when the so-called democratization is in progress. The government's non-intervention policy, in terms of its relation with the production segment which depends on the government-centered monopolistic capitalism, is indifferent from the government's support for the capitalists whose position is overwhelmingly superior to that of the workers. This is because of the fact that the government, which, based on its growth-first policy, has provided almost unlimited support for the capitalists and controlled the labor thus far, takes a neutral position when it wants to ignore the uneven relationship of the forces. It has been always emphasized that the so-called violence by the workers serves as a basis that justifies the government's utilization of its strong power.

We think the workers' violence during the labor-management dispute since August can be generally understood at three levels.

First of all, when the workers were stimulated by the external eruption of society's nationwide demands for democratization through the June incident, they had no choice but a violent resistance, for which a long history exists. At the worksites, workers have been forced to accept inhumane employment relationships, in which their dignity as human beings was frequently trampled under the conditions of the authoritarian labor-management relations, while their basic labor rights were being suppressed. In addition, they had to suffer from the problems of job security, low wages and poor labor conditions, while only the productivity was stressed. As we heard the outcry of a company's labor-management dispute, "We are not the XYZ family but the XYZ livestock," we could not help feeling deeply the pain of the inhumane labor conditions.

Second, because of the government's utilization of its strong power in controlling labor, the workers have never had an opportunity to express their demands and organize themselves. Under the present labor laws, the existence of labor unions is possible, but it is possible only when their independence is abandoned. For the companies under the management of the two conglomerates, Hyundai and Samsung, which represent Korea to the world, the existence of labor unions has not been permitted until recently. For example, the top manager of the Hyundai Heavy Industries took the same firm position as the judicial authorities' when the labor-management dispute erupted.

Third, we must point out the overstated and distorted reports of violence that focus only on the violence itself. Explanations or reports on the reasons and process of the violence are frequently omitted.

In addition, the issue of "third party intervention" is becoming an important basis for the government's utilization of its power. From a political point of view, an attempt to stop the so-called labor-student regiment is understandable, but it must be emphasized that preventing the intervention of the third party is denying the independent existence and activity of the labor union itself. This measure of preventing the intervention of the third party was the basis that denied the higher-level labor union's guidance and cooperation toward the lower-level labor unions and enabled local unions to dissolve and form the Federation under the present labor laws. Naturally, the measure to prevent the intervention of a third party must be withdrawn during the democratization process.

Furthermore, this measure of preventing the intervention of a third party is a policy that ignores the principle of the labor-management balance. Many capitalist organizations, such as the National Federation of Economists, receive consultations from numerous third-party academicians and specialists and maintain their contacts, but this fact is never considered a problem.

Direction of the Student Movement and the Labor-Student Alliance

Since June, if we call the June incident the first wave, the second wave could be the labor-management dispute since August, and we can predict the third wave could be a series of incidents that might arise after September. At present, the student movement is under the leadership of the Sodaehyop-Chontachyop [SNU Federation of University Students] which is a moderate group. The Min-mintu [Anti-Imperialist, Anti-Fascist National Democratic Struggle Committee] group, which is a radical anti-establishment group, is in a minority position. From the viewpoint of the whole democratization process, the writer considers that it is fortunate that the leading student force is positively receptive to the democratization process through election. Undoubtedly, students are the leaders of the June incident, and along with soldiers and workers, they are an important part of the political force in terms of their relationship to power in Korean society.

From the viewpoint of an ideological level, students are the strongest force of our society that resists being unified into the ruling ideological hegemony that is centered on the combined strong forces that adhere to the doctrines of security, stability and progress. However, it does not mean that students have been completely united with an anti-Establishment ideology or they have developed such an ideology. In this regard, it is difficult to believe that the government party's evaluation is based on facts when it says that the radical branch of the student movement causes disturbances, calls for the government's excessive reactions, leads the so-called "reformism-based" democratization process into chaos, and attempts to incite a people's revolt or revolution. Even if a radical branch attempts to pursue a strategic

revolutionary line, the attempt will fail because it is impossible to obtain supports from the majority group of students. This is a well-known fact. Thus, if the government attempts to interpret the present student movement as an attempt to incite the people's revolt, we must regard such an interpretation as an excuse for the mobilization of its strong power. Even if students might become attached to certain revolutionary ideas when using rhetoric, special terms, objectives, ideologies, or strategies, they know better than anyone else that there is a big difference between their wishes and the realistic conditions. The writer predicts that the students' revolutionary characteristics will positively subside when both the procedural democratization and the practical democratization become realized simultaneously.

Undoubtedly, the so-called labor-student alliance has had a vast influence on the political changes to a large extent and on the labor movement to a limited extent in the 1980's. In particular, the labor-student alliance, which extended its influence from the Kyonggi region, led in the Inchon incident in May 1986 and in various radical labor movements and the labor-management disputes in the Kyonggi region. It has greatly stimulated the overall labor movement through attempts to promote the workplace-centered and the absolutely economic labor movement to the level of political labor movement or class-struggle movement, although on a small scale as compared to the overall labor movement.

However, from the viewpoints of the June incident and the August incident, the labor-student alliance was not strong enough to exert its influence on the national situation. At the manufacturing site, their foundation was extremely weak. Unlike the movements by the labor-student alliance, the August incident was not caused by the intervention of an external force, but it was a natural one-time eruption of demands by the workers, who had been directly influenced by the democratization movement of June. However, it is highly probable that the student movement and the labor-student alliance could fast become a large-scale movement when the conservative hard-liners of the combined ruling forces attempt again to reverse the democratization process.

The Role of the Press

Since the establishment of the Fifth Republic in 1980, the press was reorganized as a key organization of the authoritarian government organization, which could effectively carry out the public relations campaign of the government policies, ideology education, and formation of propaganda and public opinion. The press has often been criticized for carrying out the most important tasks in maintaining the system. This is precisely the reason why the independence of the press must be a key issue in the democratization reform process. Despite the No declaration of 29 June, the independence of the press has a long way to go just as does the process of democratization. The press, which could not refuse the people's explosive demands for democratization through the

June incident, has done a great deal of factual reporting; but as the shocks of the June incident begin to subside, it gives an impression that it is returning its old practice. Earlier, we focused our analysis on the fact that the recovery of the old system is carried out through mobilization of the conservative ideology and fear. Some of the mass communication media have recently shown such a tendency. Particularly, they have revealed their original intention to ignite the fear of an uneasy system through reports of the August incident and push the middle class to the right. Considering that the original function of the press is to reflect or report the public opinion, objective facts and a specific social group's opinions and demands in a neutral way, although the degree may vary, we cannot help being concerned about this.

While stressing the violence and immoral points of the labor-management dispute, the press omits explanations about the employers' acts and attitudes as they related to the reasons why the workers had to become violent. In addition, the press focuses on a specific presidential candidate or issues an overstated report on the conflicts between the two Kims.

Articles appear frequently on the economic and social crisis, but disappear from the reports a few days later. In other words, the mass communication media like to issue overstated reports in a particular area by focusing on small fragments of the facts rather than revealing the structural problems. They give an impression that they stress incidental violence that appears in unimportant individual details rather than explanations for structural violence that originates from social conflicts. In the case of labor-management disputes, if we say that it is immoral and a lowering of the moral standards when some of the workers destroy the furniture in the public buildings during a violent demonstration, we must consider it socially immoral if an employer threatens to shut down the plants. Does it mean that they have grown into a conglomerate solely based on the managers' ability rather than the government's support, the people's burden and society's burden that is represented by the labor sacrificed by the workers? What is meant exactly by their attitude that they are not responsible now? In essence, we must try to contrast the moral issues that originate from an individual level against the entire structural morality upon which this society stands, or explain the former in terms of the latter.

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Panel Suggests Employment of Cholla Men in Government
SK260257 Seoul *THE KOREA TIMES* in English
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[Text] Members of the Democracy and Reconciliation Committee yesterday exchanged views on the root of regional antagonism and some stressed that employment of more Cholla-do men in the government can break it.

So Yong-hun, 64, explained that it all started off with the successive governments' ill-advised policies on personnel and development.

The former chairman of the Hunsadan Society insisted that it is necessary to unveil how people from Cholla-do and Kyongsang-do got embroiled in such "confrontation" from a historical point of view.

Balking at So's idea, poet So Chong-chu, 74, said he feared that such an approach will escalate regional antagonism instead of resolving it.

He suggested that various Cholla-Kyongsang "fraternity" activities such as games, symposiums and folk festivals be organized so that they can help mend fences together.

Pak Ok-chae, 47, who represents the families of those who died in the Kwangju uprising in 1980, asserted that the issue of regional animosity cannot be separated from the Kwangju incident which took nearly 200 lives by official tallies.

He said the popular image of Cholla-do men as "troublemakers" should be erased. Kim Chae-sun, president of the monthly magazine "Saemio" (Fountain), said even Mr. Kim Tae-chung cannot eliminate the Cholla-Kyongsang antipathy if he takes power.

"The best thing is for the elder Cholla-do politicians who feel left out in the cold to handle the conflict in a new dimension," he asserted.

The participants including lawyer Yi Pyong-yong and Rev. Cho Hyang-nok said the new government should place emphasis on recruiting more Cholla-do people for higher posts and regional development such as the West Coast development plan which president-elect No Tae-u pledged during his campaign.

Poet So suggested that the committee members issue a sort of "admonition" to political leaders, urging them to refrain from saying or acting to the effect of stirring up regional animosity.

KAL Announces Stringent Security Measures
SK210207 Seoul *THE KOREA TIMES* in English
21 Jan 88 p 3

[By staff reporter Son Chae-hun]

[Text] Korean Air (KAL), flag carrier of Korea, is determined to provide watertight security measures to ensure maximum safety amid mounting concern by domestic and foreign passengers on the heel of the explosion of KE 858 by the bomb planted by North Korean operatives on Nov. 29, last year.

Stepped-up security measures are being sought to prevent the recurrence of a similar attack against KAL flights as North Korea remains determined to disrupt the Seoul Olympics.

The KAL has provided a set of strengthened security measures recently to counter any plot to sabotage its flights and guarantee maximum security for its passengers. The measures require cabin crews to check and re-check every corner of the cabin.

The new security regulation also requires passengers to reduce hand baggage brought into the cabin and the number of ground workers entering into the cabin for flight preparation will strictly be limited.

Kim Yong-hwan, senior vice president of KAL in charge of flight operations, told The Korea Times that the airline will carry out the strengthened security measure with the belief that a safe flight is the "best service" for passengers.

"I am sure that passengers have enough generosity to put up with a bit of inconvenience if it is for the safety of flight," Kim went on to say.

The heightened security consciousness by cabin crew because of the incident will help guarantee safer flight operations than any other foreign airlines in the days to come, he said.

The foreign airport authorities also promised to render unreserved support for the strengthened security measure to realize water-tight security in the face of North Korean threats, he said.

According to the new security regulation, KAL flight attendants were empowered to make bodily and luggage searches on the passengers acting suspicious.

KAL also seeks purging highly sensitive and up-to-date security instruments including bomb detectors and X-ray scanners.

The strengthened measure also requires cabin crew to board 30 minutes earlier than before to have enough time for thorough checking on every corners of the cabin.

The major areas requiring thorough checking in the cabin include hatrack, coat-room, seat pocket, cushion, lavatory, galley, cockpit and cabin floor.

Ground workers including catering suppliers who need to get on board for flight preparation will thoroughly be watched man-to-man by the cabin crew in domestic and foreign airports.

After the disembarkation of cabin cleaners and catering suppliers, the cabin attendants have to thoroughly recheck all corners of the cabin, according to the new security measure.

The crew members are also required to watch boarding passengers attentively one by one at the entrance for security reasons, it stipulated.

They are further urged to make bodily and luggage checks on those looking suspicious in a galley out of the sight of other passengers.

After arriving at destinations or stopover points, cabin crew will have to watch local cabin cleaners carefully all through the work. The crew members are required to thoroughly check all through the cabin after the local workers leave.

Before turning over the plane to the local airport guards, the chief attendant will have to thoroughly re-check the cabin and tightly lock all the doors, the security measure stipulates.

At technical landing points on multi-leg flights, the crew members have to confirm whether all transit passengers came back to the cabin or not.

When any passengers are found missing, the cabin attendants will have to check the exact reason for their absence and the baggage of the passengers will be discharged from the plane, it said.

MILITARY

Government Seeks Revision Bill on Military Service Law

SK250649 Seoul YONHAP in English
0640 GMT 25 Jan 88

(Text) Seoul, Jan. 25 (YONHAP)—The government Monday submitted to the national assembly a bill aimed at restoring 34,000 disgraced military officers to their former reputations or ranks and positions in the military services.

The revision bill on Korean military service law stipulates that those who were dishonorably discharged from the military or who were removed from the military register can be reinstated in accordance with the desire of those concerned.

The proposed bill was prepared by the government and ruling Democratic Justice Party (DJP) late last month after DJP's victory in the Dec. 16 presidential election as part of an effort to achieve national reconciliation.

An approval by the national assembly of the amendment will enable Chong Sung-hwa, former army chief of staff presently serving as an advisor for a major opposition party, to be reinstated as a retired four-star general in the military register.

The ex-general Chong was demoted to the rank of a private after he was court-martialed following an arrest in connection with the Oct. 26, 1979, assassination of the then President Pak Chong-hui.

One month before the presidential election last December, Chong joined the main opposition reunification Democratic Party (RDP) as the party's permanent adviser in support of the RDP's presidential candidate Kim Yong-sam, whose election campaign was mainly focused on his advocacy for an end to the military-backed regime.

Chong's appearance in the political scene, followed by several other retired generals, touched off a heated debate over the controversial role of DJP's candidate No Tae-u, who, as an infantry division commander at that time, helped the then general Chon Tu-hwan rise to power in the wake of the Dec. 12, 1979, military incident.

ECONOMIC

3 State-Run Companies To Go Public During 1988

41000005 Seoul *THE KOREA TIMES* in English
3 Dec 87 p 6

[Text] A total of 57,910,000 state-held stocks worth 289.5 billion won in face value will be sold next year to some 8.5 million people in low and medium income classes, nearly one-fifth of the nation's population, the Finance Ministry announced yesterday. At present, some 2 million people are active in the stock market.

The selling of stocks to the general public is part of a government program to offer a total of 203,910,000 shares to the public by the end of 1992.

The stocks, dubbed people's stocks, to be offered next year are facevalued at 1,019.5 billion won and are worth 1,750.4 billion won in asset value.

Going public next year will be the Pohang Iron and Steel Co (POSCO), the Korea Electric Power Corp (KEPCO) and the Citizens National Bank (CNB).

A people's stock subscription deposit system will be set up to ensure smooth sales of the stocks over the coming five years. Subscription rights will be given to low wage earners, and farmers and fishermen having less than a given acreage or fishing boat tonnage.

A stock trust system will also be introduced so that holders can trust their stocks for a long time for more profit.

The plan for people's stocks was finalized at a consultation meeting between the government and the ruling Democratic Justice Party yesterday.

The concept of national stock has been introduced by the government as a means to increase income of low wage earners and rural people by investments in state-invested corporations with sound financial structures.

According to the plan, the government will sell 203,910,000 million state-held shares worth 1,019.5 billion won in par value in the 1988-1992 period.

The figure breaks down into 17,270,000 POSCO shares worth 86.3 billion, 182.5 million KEPCO shares worth 912.5 billion won and 4,140,000 CNB stocks worth 20.7 billion won.

On the slate for next year are all the shares held by POSCO and CNB and 36.5 million of the total 182.5 million shares owned by KEPCO.

Under the government plan, the four other state-invested corporations will go public after 1989 on a gradual basis. Involved are the Korea Telecommunications Authority, the Korea Exchange Bank, the Small and Medium Industry Bank and the Korea Monopoly Corp.

When all the seven state-invested corporations are privatized, stocks worth 5 trillion won will have been distributed to people.

Twenty percent of the people's stocks will go to 55,000 members of employee stock ownership associations, 5 percent to 450,000 general subscribers and 75 percent to 8.5 million medium and low income earners.

The latter category includes workers earning monthly wages of 600,000 won or less and daily earnings of 24,000 won or less, overseas workers and self-employed people with monthly incomes of 600,000 won or less.

Needy people, farmers with farmland of two hectares or less and 20 head of dairy cattle or less and fishermen with engine-powered ship of 20 tons or less also are included.

To help medium and low income earners easily buy people's stocks and to set their benefits, the government will discount selling prices by 30 percent.

The lower income bracket with monthly income of 400,000 won or less, low income farmers and fishermen who seek to become people's stock trust subscribers will be financed 50 percent of the funds required to subscribe the trust.

Subscribers have to deposit money double the purchase price of national stocks with the trust.

The national stock subscription deposit and national stock trust business will be open to all of 24 financial institutions hoping to get involved.

The 24 financial institutions are the seven commercial banks, 10 provincial banks, CNB, the Korea Exchange Bank, the Small and Medium Industry Bank, the Korea Housing Bank, federation of agricultural, fisheries and livestock cooperatives.

Financial institutions which will be allowed to handle national stock trust business will manage the fund with national stock and securities trusted at the ratio of 50:50.

The discount price of national stocks will be decided by a price calculation advisory committee to be established at the Finance Ministry.

The national stocks will not be saleable within three years in the case of beneficiary subscribers applying for long-term possession.

	Planned Sales of State-Held Stocks			(unit: 1,000 shares)
	1988	2nd half	total	
POSCO	17,270		17,270	17,270
KEPCO	—	36,500	36,500	182,500
CNB	—	4,140	4,140	4,140
	17,270	40,640	57,910	146,000
				203,910

Note: Each Share is facevalued at 5,000 won.

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ROK Daily on Government Price Stabilization Moves

SK220143 Seoul *THE KOREA TIMES* in English
22 Jan 88 p 8

[Editorial: "Precarious Price Movements"]

[Text] It is alarming to learn that overall prices have been on a steady rise in recent months, threatening the hard-won price stability since 1982.

Many housewives have reportedly come to heave a great sigh at the remarkable hike in consumer prices, in particular, of groceries and other consumer goods for home use, such as laundry soap, toilet tissue and rubber gloves.

In addition, the prices of construction materials, some electronic products and cars went up as well. Service charges for foods served at restaurants are not exceptions.

Apparently spurred by the people's unrest against threatening inflation, overall housing prices and rent are rising, not to speak of unproductive speculation in land.

In nature, prices tend to move up when the social discipline becomes loose because both producers and merchants are generally inclined to raise their selling prices only if the government's price surveillance system weakens.

However, the prime cause of the recent price hike is the sharp increase in liquidity at the time of last year's Dec. 16 presidential election, along with the sustained growth in the money supply resulting from the continued trade surplus.

Also pushing up prices were the costs following the general wage hikes, in the wake of fervent labor-management disputes, which plagued the nation last summer.

There are several factors feared to push up prices again this year. Among them will be a large-scale demand for cash to be paid to employees shortly before the coming lunar New Year's day, which will fall on Feb. 18, a huge amount of campaign funds for the forthcoming parliamentary elections, to be held by April, and a booming demand around the 1988 Seoul Olympics in September.

In a notable action, the government decided at its price measure meeting Wednesday to consider lowering the domestic prices of oil products by an average of 10 percent by the end of March, among a package of policy steps to combat rising prices.

The importance of price stability cannot be overemphasized. Accordingly, greater policy efforts should be made to curb money supply increases.

To this end, due attention must be paid against the disbursement of any non-urgent fiscal funds, in connection with the implementation of election pledges with the general elections approaching.

Also needed is more efforts to remove any obstacles in the smooth supply of goods, especially daily necessities.

Suggested to fight inflation are astute and comprehensive measures to clear away the public's misgivings about price hikes and inflation. For this reason, the government is called upon to help enterprises reduce their production costs, while industrial circles should pool their efforts to stabilize prices in cooperation with government policy.

Total Money Supply Increases 21.2 Percent
SK240206 Seoul *THE KOREA TIMES* in English
24 Jan 88 p 6

[Text] Despite increased demand by enterprises for money to pay value added tax this month, the rate of dishonored bills is declining with large amounts of liquidity being released. According to the Bank of Korea yesterday, a total of 627.5 billion won was released from the government, private and foreign sectors in the first half of this month.

That pushed the total money supply for the period to increase 21.2 percent from a year earlier on average balance, far exceeding the 18 percent target which the monetary authorities said would contain the increase of the total money supply this year.

The total money supply, generally called M2, is a widely defined money indicator embracing currency in circulation and bank deposits, and serves as a major benchmark in the Korean monetary policy.

In the first fortnight of January, 330 billion won was released for credit to private sector and 140 billion won was supplied from the foreign sector, the central bank said.

In line with that, the general money market situation is good, despite temporary fund shortages due to the brisk need for funds to pay value added tax, which pulled up the call money interest in short-term finance circles to 14 percent.

Reflecting the situation, the rate of dishonored bills in Seoul for the first half of this month dropped 0.02 percentage points from a month earlier to 0.03 percent and bond yield also declined slightly to 12.55 percent from 12.61 percent of December last year.

SOCIAL

NPH Arms Police Against Violent Crimes
4100008 Seoul *THE KOREA TIMES* in English
29 Dec 87 p 3

[Text] All policemen on duty were ordered to carry guns and ammunition to cope with the ever-increasing ferocious crimes such as murder-robberies.

The National Police Headquarters (NPH) yesterday allowed police across the nation to use firearms if necessary to subdue lethal weapon-wielding felons.

NPH director Kwon Pok-kyong directed police to track down and arrest ferocious criminals by using all the available means until all crimes have been rooted out.

It is the first time that all policemen on patrol duty and detectives were ordered to carry firearms. Thus far, only the policemen on patrol duty at police boxes were allowed to carry pistols or carbines during the special crime-prevention periods around Chusok and the Lunar New Year's Day.

The stern police action was taken on the heels of a spate of murder-robberies and other felonies which occurred recently in residential districts in Seoul and other major cities.

Last Sunday, a middle school boy was severely beaten and strangled by six masked robbers who intruded into an apartment in southern Seoul and made off with 5 million won-worth of valuables.

Under the NPH order, more than 25,000 policemen including 5,000 detectives across the nation will carry firearms and ammunition.

Detectives, traffic policemen and policemen on duty inside police boxes will be armed with pistols, while ordinary policemen on patrol duty will carry carbine rifles, according to the NPH directive.

Police armed with firearms will use them in accordance with the regulations on the performance of policy duty.

Under the regulations, police can use firearms against those who carry lethal weapons and put up resistance against police ignoring orders to surrender more than three times.

Police can also use guns against criminals on the run who have been convicted and sentenced to more than three years, according to the regulations.

Police will also operate special task forces in crime-prone areas across the country.

According to the NPH directive, a three-member police team armed with pistols and carbines will be dispatched to the scene of crimes immediately after receiving the reports.

/06662

FOREIGN RELATIONS, TRADE

No Tae-u Plans Summit With U.S., Japan
SK271110 Seoul *TONG-A ILBO* in Korean
27 Jan 88 p 1

[Text] It was learned that after he is sworn in on 25 February this year, President-elect No Tae-u plans to hold summit talks with U.S. and Japanese leaders during the first half of this year at the earliest to lay the foundation for new diplomacy suited to the Sixth Republic and to cement the existing diplomatic relations with these countries. He also plans to actively push ahead

with diplomacy toward the communist countries by expanding trade relations with such East European countries as Hungary, Yugoslavia, and Poland.

As for ROK-U.S. summit talks, President-elect No reportedly is considering two options: his own visit to the United States and extending an invitation to U.S.-President Reagan to visit Korea. The first round of ROK-Japan summit talks will be held following President-elect No's inauguration ceremony on 25 February in which Japanese Prime Minister Noboru Takeshita is expected to participate and the second is likely to take place when No goes to Japan returning the Japanese Prime Minister's visit to Korea.

In this connection, Foreign Minister Choe Kwang-su, briefing President-elect No on Foreign Ministry affairs on 26 January, said: We are actively studying the possibility of your visit to Japan in return for the Japanese Prime Minister's participation in your inauguration ceremony, while thinking positively as to when and how to hold ROK-U.S. summit talks.

Commenting on President-elect No's visit to Japan and ROK-U.S. summit talks, a government official said: It is out of the need to have close consultations with our traditional allies such as the United States and Japan to establish an independent national diplomacy as the foundation for its foreign policy and to actively push ahead with diplomatic efforts toward the North that we are pushing ahead with summit talks with the United States and Japan. However, we have not finalized anything yet as to when and how to hold such summit talks.

Editorial Charges U.S. Trade Pressure 'Emotion Oriented'

41070030 Seoul SEOUL SINMUN in Korean
27 Dec 87 p 2

[Editorial]

[Text] The U.S. trade pressure on our country, which began to appear as an emotion-oriented tyranny of the stronger, leaves behind a negative effect in our hearts. It is true that negotiations over bilateral trade issues can easily be dominated by the logic of power. When they are under the influence of emotion, in addition to the logic of power, it is hard to call them negotiations. If the serving of one-sided notice is persisted in instead of negotiations, apparently it is no different from declaring a trade war on us.

After the recent rupture of the Korea-U.S. trade negotiation in Washington, the United States threatened to impose retaliatory tariffs on our country's major export goods and exclude our country from the generalized system of preferences [GSP] by invoking section 301 of the U.S. Trade Act. The two countries appear to have roughly three sticky points they cannot iron out in the negotiations. Our side proposed the lowering of the price for imported American cigarettes down to 1,000 won a

pack effective 1 January next year and our continuing to lower it until it reaches 850 won a pack. However, the U.S. side insisted on lowering the price to 600 to 700 won a pack without delay. The price suggested by the U.S. side below what the cigarettes sell for in the United States itself. The price of cigarettes sold in the United States, roughly \$1.20 a pack, is roughly 950 won when converted into our currency at the current rate.

To suggest that it will sell cigarettes in Korea at a lower price than that in the United States, a maximum of 250 won cheaper, means, simply put, that it will dump the cigarettes in our country. What else but an unfair practice is it for the United States, which in the past has often imposed retaliatory tariffs on export goods from developing countries after declaring that the developing countries concerned undertook unfair practices on the grounds that they were dumping goods, to indicate that it will dump its own goods?

In reality, American cigarettes are sold in foreign countries for \$1.50 a pack, which cannot be said to be higher than that in the United States since the price includes the tariff. The retail price for American cigarettes, 1,000 won per pack, is still cheaper than that internationally accepted price. Although the price suggested by our side is rather close to the price of cigarettes sold in the United States, the U.S. side insisted on lowering it further. We cannot but view this as an expression of deliberate intentions to bankrupt the negotiations.

As for the issue of opening the Korean market to U.S. insurance companies, our country made a great concession by allowing U.S. insurance companies to establish joint ventures with their Korean counterparts—except 30 large business firms, a measure taken to keep the large business firms from controlling everything that is profitable. However, the United States forcefully argued against the restrictions. As far as our country is concerned, the issue of keeping the large business firms from controlling virtually everything is more than a mere economic task. It is a pressing question that approaches the basic economic order pursued by our country—that is to say, a sensitive issue closely related to the balanced development of industrial sectors and an equal distribution of income which have emerged as major issues in the course of political development.

Has not the United States blocked the Japanese bid to buy off a U.S. electronics firm named Fairchild by arguing that it is against the national interest? Although our effort to keep large business firms from controlling everything is more than national interest and is something that should be viewed in light of political and social development, the United States withdrew from the negotiating table. What is that but the tyranny of the stronger? The beef that the United States insists that our country import to use in tourist hotels in Korea—an issue over which the two countries have not been able to iron out their differences—is something more than a common problem for our country.

To the United States exporting a few more eight-digit dollars of beef is a small and common issue in terms of easing its trade deficit, but it is an enormous psychological burden on our stock-breeders. It can ignite the frustration they feel toward the government. We urge the United States, which seems to be losing its will to reason since the stock market crisis last November, to return to its normal self, to its balanced way of thinking, and to at least base its approach to the trade negotiations scheduled to be held in Seoul on the principle of reciprocity.

/06662

Daily Criticizes U.S. Resort to Article 301
SK250829 Seoul *CHOSON ILBO* in Korean
24 Jan 88 p 2

[Editorial: "Is Article 301 Almighty?—Biting the Feeding Hand"]

[Text] From the outset, we were aware of how things would turn out. After all, we have been double-crossed. Our commitment to drastically lower the market price of U.S. cigarettes, which we agreed to by hurriedly flying to Washington early in the new year, has only resulted in a suit being filed to invoke Article 301 of the Trade Act.

Our alternative concerning U.S. cigarettes was, for all intents and purposes, our side's full concession. Immediately lowering sale prices to the lowest limit stipulated in the present tax law and further slashing them as demanded by the U.S. side by the end of next year, even through revising the pertinent law, would be the biggest concession.

It is hardly understandable if the U.S. side intends to unhesitatingly dump their cigarettes below the sales price of Korean cigarettes and if it tries to even take our government's financial revenue—profits from monopoly products.

We have long paid attention to the fact that U.S. trade pressure has diverged from a reasonable and right path. Also, we have not overlooked that this pressure has been camouflaged by unfair threats and crafty appeasement, while it has been exerted under the pretext of fair trade and free transactions. The litigation in connection with the problem of cigarettes has confirmed once again that all the concessions the U.S. has obtained through threats and appeasement cannot completely meet their demands.

It is obvious that the U.S. side, which has succeeded in cutting the sale price of cigarettes, is most likely to appeal to the congress and incite the administration to seek the unrestricted sales of cigarettes, limitless advertisements, and the abolition of the monopoly system.

We are worried that our government may reluctantly yield to its brazen threats and demands and revise the system, the law, and even the pecuniary system—a fundamental root of the country—in compliance with its tastes.

In a nutshell, this, beyond the bounds of the problem of cigarettes, can never happen. Our financial system must be maintained and readjusted on our own according to our own judgment of the economic situation. When this basic rule is reversed, both negotiations and policies will be meaningless.

The government's wishy-washy and spineless attitude is, above all, to blame for the situation in which negotiations with the United States have reached this stage. If a country swallows humiliation and the impairment of dignity for no other reason than that it wants to grow into a competitive trading nation, it has already lost its qualification to be such a nation. Some people emphatically talk about the so-called approximately 10 billion surplus in trade and responsibility and reciprocity in the international community, stressing broad-minded and practical trade diplomacy. Others uphold substantial benefits rather than the sentiments of the people and logic rather than a cause.

In view of the offensives with the problem of cigarettes in which U.S. cigarette makers, the administration, and even the congress are all mobilized, and in view of the suit to invoke article 301, it is difficult to measure what is logic and what are substantial benefits. We do not look upon this problem merely as a question confined to cigarettes. Under the situation in which the entire world aspires to build a "society free from cigarettes," the U.S. side is coercing the importation of cigarettes on East Asian countries and developing nations under the pretext of a fair trade, even by disregarding the financial system and social order. Furthermore, these cigarettes have even caused argument over their containing harmful insecticides in the United States.

No one can predict that when the U.S. side succeeds in the cigarette offensives, what harmful chemicals and what polluted industry will next penetrate into developing countries under the pretext of Section 301.

We emphasize once again that the government should resolutely show that the U.S. threat of article 301 is not the almighty key to obtaining what it wants from us. Make the issue of cigarettes become the first example.

Restrictions on Foreign Investments Eased
SK280843 Seoul *YONHAP* in English
0614 GMT 28 Jan 88

[Text] Seoul, Jan. 28 (YONHAP)—South Korea has lifted a ban on foreign investments in the domestic movie industry in compliance with U.S. demand that the country open its service industries for American businesses.

The finance ministry has also allowed foreigners' investments in the trade and advertising industries by relaxing the existing restrictive regulations governing foreign investments in service industries.

The ministry permitted the 20th Century Fox, a U.S. movie film producing company, and the United International Pictures (UIP) of The Netherlands, to invest 100,000 u.s. dollars each in local movie industry a week ago.

UIP is a Dutch film distributor representing such U.S. film producers as Paramount and MGM.

The motion pictures association of America has requested that Korea open its film market and the matter has been one of hot trade issues pending between Korea and the United States.

As for the liberalization of the trade industry, the ministry has decided to authorize the foreign investors owning less than 50 percent of equity in their Korea-based joint venture trade firms to engage in any kind of import businesses here.

The revised regulations also pave the way for the foreign investors having 50 percent or more of equity shares in local manufacturing firms to import raw materials, nine items of machineries or equipments and such primary products as fur and finished leather.

Foreign advertising companies have also been allowed to invest in a sound firm here, though their equities are regulated not to exceed 50 percent.

Two of local organizations—the new technology business investment union and the small- and medium-sized industry venture capital union—have been allowed to raise their funds from foreign investors.

Daily on Economic Exchange With Communist Nations

SK221200 Seoul SEOUL SINMUN in Korean
20 Jan 88 p 2

[Editorial: "Preconditions to Economic Exchanges With the Communist Bloc"]

[Text] Because an approach to the communist bloc has become possible, with the forthcoming Seoul Olympics as an opportunity, the question of economic cooperation with the bloc is surfacing. The Korea Chamber of Commerce and Industry has concluded an agreement on business cooperation with Hungary in Eastern Europe, and other economic organizations are seeking to establish their internal bodies or work out measures to establish ties with their counterparts of the communist bloc countries for direct trade as well as for cooperation in various sectors.

After the registration for participation in the Seoul Olympics by East European countries and communist China, a rush is being made to approach the communist bloc. This is because we and the other sides have common needs to contact one another. On our part, it is necessary to reduce trade friction with advanced Western countries to the maximum extent possible. A tense atmosphere has even been created between Korea and the United States because of trade friction. To reduce this friction, new export markets should be developed. We have a long-range task of reducing the present 40 percent of our export reliance on the United States to 20-25 percent by the 1990s.

On the part of the communist bloc, the will of economic reform is growing to use the open door in order to galvanize depressed economies. Hungary, East Germany, and other East European countries are reportedly seeking to achieve high economic growth by familiarizing themselves with our economic achievement. What they mainly desire is a horizontal division of work through joint ventures.

Thus, because of the commonality of their mutual interests, the possibilities of economic cooperation are rapidly growing between Korea and the communist bloc. Nevertheless, it is possible that we will face two major obstacles when mutual economic exchanges are realized. One obstacle is a confrontation of practical interests of the two sides which will develop in the course of direct exchanges, transfer of technology, and direct investment; and the other is hindrance by North Korea, which maintains formal diplomatic ties with those countries.

While our country is emphasizing trade, the communist bloc is more interested in the transfer of technology and joint ventures. The communist bloc, which is in a poor situation with regard to hard currency, will seek the importation of plants on a deferred payment basis and the transfer of technology from Korea. At the same time, they will actively seek our indirect investment. The recovery of funds is not easy with deferred exports, which require a long time for the settlement of accounts. At the same time, with investment, there is a danger of nationalization if the political situation changes in an opposing side.

Accordingly, our government and business circles should jointly work out a long-range master plan for economic cooperation with the communist bloc by considering the limits in practical cooperation and our peculiarity as a divided nation. A systematic mechanism should be preferentially established to make the most of compensation trade, which will be inevitably developed in the trade with communist China and the East European countries; and an export insurance system should be actively considered to reduce the risk of deferred exports. With regard to investments, measures to avoid non-economic uncertainties should be sought by all means.

It is most important that a boundary be established in transferring technology to communist countries and investing in those countries by considering the matter of security and that business circles be made to make an approach according to this guideline. As for North Korea as an obstacle, it may be possible to seek indirect trade with it through communist China. At the same time, we may consider becoming a surety for North Korea's urgent foreign debts of \$770 million.

The way we settle the contradictions between economy and security should be stressed in seeking cooperation with the communist bloc. Our business circles should seek calm cooperation by realizing that economic interest does not always agree with national interest.

Loan Considered for Two East Bloc Countries
SK270325 Seoul YONHAP in English
0144 GMT 27 Jan 88

[Text] Seoul, Jan. 27 (YONHAP)—In an effort to promote economic cooperation with communist-bloc nations, the South Korean Government is cautiously weighing the possibility of extending an economic loan to two East European countries seeking to exchange trade offices with Seoul, government authorities here said Wednesday.

The authorities, however, did not specify the names of the communist bloc countries with which Seoul has no diplomatic relations for the proposed loans of about 50 million dollars per project.

It was learned Tuesday that Hungary will open a trade office in Seoul in March to become the first East bloc country to seek to improve trade relations with South Korea.

The Korean Government plans to foster a total of 90 billion won (about 114 million U.S. dollars one dollar is worth about 785 won) this year for use in foreign loans and economic aids to developing countries.

As part of an effort to expand economic cooperation with the communist countries including China and East bloc nations, the Korean Government also plans to actively participate in regional economic development programs of the World Bank, and International Monetary Fund.

The semi-official Korea Trade Promotion Corp. opened an office in the Hungarian capital of Budapest last December, according to business sources.

Negotiation is also under way between Seoul and Yugoslavia and Poland for the establishment of their trade offices here, the sources said.

Trade Expectations With Hungary Examined
SK280329 Seoul THE KOREA HERALD in English
28 Jan 88 p 6

[Text] When Hungary sets up a trade office in Seoul in March it will mark the realization of Seoul's long-cherished desire for a trade link with the East bloc.

Trade officials yesterday said the "desirable trade development," a Communist trade representative in Seoul, will likely be the first in a series of trade offices here representing Yugoslavia, Poland and East Germany.

Korea and Hungary have traded only indirectly because they have no official diplomatic ties, limiting the two-way trade volume to a minimum.

Bilateral trade, however, is expected to surge sharply with the establishment of trade offices in other's capitals, they said. The Korea Trade Promotion Corp. opened a trade office in Budapest Dec. 15 last year.

The officials said a powerful Hungarian trade mission will fly into Seoul in May for trade negotiations.

Trade between Korea and Hungary has remained flat to date. Korea exported about \$5.59 million worth of commodities to the East-bloc nation, while importing \$1.37 million worth.

Among the major exports are garments and tin plates and Korea's shopping list includes chemical products and typewriters.

The Seoul Trade Office of Hungary will be managed by the Hungarian Chamber of Commerce, which recently signed a business cooperation pact with the Korea Chamber of Commerce and Industry.

The trade office will be a window to expand bilateral private-level trade, they said.

The government is also considering granting loans to a few East-bloc countries from the Economic Development Cooperation Fund (ODCF), established last year, to assist their economic development.

"If Western banks lose confidence in Hungary, the country could quickly be plunged into a liquidity crisis much more severe than in 1982-83," a trade official said.

Hungary's ability to placate the worried bankers will depend not only on how successful it is implementing austerity measures, but also on how far its leaders are willing to go toward introducing market-oriented reforms.

As it stands now, the Hungarian government is seeking Western cooperation for its economic development program.

Hungary recorded a relatively slow pace of economic development in the 1970s and is saddled with a large foreign debt.

The Hungarian government is pressing hard to strengthen commercial ties with Western countries in terms of trade and capital.

As of July last year, about 70 joint venture companies had been established in Hungary, and the Communist country trying hard to induce more foreign capital to rebuild its economy.

This leaves much room for Korean concerns to muscle into Hungary, an enticing prospect since Korea's export drive has run into a snag due to the worldwide protectionism.

Trade with East-bloc countries is a major alternative to selling more Korean-made commodities on the world market, the officials said.

Justice Ministry To Issue Visas to Third World Tourists

SK280119 Seoul *THE KOREA HERALD* in English 28 Jan 88 p 3

[Text] The government will issue entry visas for citizens of 15 Third World countries which have no diplomatic relations with Korea, if they hold legitimate passports, it was announced yesterday.

The Justice Ministry reported to the National Assembly that the administration will not demand "entry permits" for nationals of those countries beginning Feb. 1.

"In other words, the government will recognize passports issued by those countries," a ministry official, said.

The 15 countries include Afghanistan, Togo, Mozambique, Namibia, Angola and Tanzania.

As a result, entry permits will be demanded only for citizens of 15 Soviet-bloc countries, including East Germany, Romania, Bulgaria, Albania and Yugoslavia, the ministry said.

Last year Korea received a total of 12,175 visitors from Communist countries. "The number of visitors from those countries has increased an average 30 percent a year since 1982," the ministry said.

Visitors from East European countries totaled 1,985 in 1982, 2,318 in 1983, 2,852 in 1984, 6,378 in 1985 and 7,885 in 1986, according to the ministry.

POLITICAL

KCNA: Meeting Marks Anniversary of Kim Il-song Guidance
SK240819 Pyongyang KCNA in English 0810 GMT 24 Jan 88

[Text] Pyongyang January 24 (KCNA)—A Sunchon meeting marking the 40th anniversary of the on-the-spot guidance of the great leader President Kim Il-sung to the Sunghon County party conference was held on January 23.

Pak Tong-chu, chief secretary of the Sunchon City, South Pyongan province, party committee of the workers' party of Korea, made a report at the meeting.

He stressed that President Kim Il-sung's on-the-spot guidance to the conference (January 24, 1948) brought about a historical turn of great significance in strengthening our party organizationally and ideologically and enhancing its militant functions and role in every way as the guiding force of the revolution and construction.

The reporter said:

The great leader in his speech "on the tasks of our party organisations" delivered at the conference clarified character and mission of our party and its historical root and pointed out that right after liberation under the correct leadership of the party our country successfully carried out all democratic reforms, overfulfilled on the whole the 1947 plan for the national economy, the first plan of the national economy, and our party which developed to be a mass political party achieved remarkable development both in quantity and quality. In his speech he also stressed the need to further strengthen the party and enhance its leadership role to build a rich and powerful state, democratic and independent.

The reporter recalled that subsequently the great leader visited Sunchon scores of times and wisely led it to enhance the leadership role of the party, clearly illuminated the direction and ways to be followed by the people in the city and showed deep love and care for them.

The reporter stressed that dear Comrade Kim Chong-il who is successfully carrying into effect the far-reaching plan of the great leader president Kim Il-sung, has energetically directed party work, industry, agriculture, education and all other work of Sunchon to make a big stride.

Pointing to the development made over the past 40 years in Sunchon, the reporter stressed that the epoch-making change was attributable to the wise leadership and deep care of the party and the leader.

MILITARY

O Kuk-yol Accompanies Syrian Military Delegation
SK241049 Pyongyang Domestic Service in Korean 1300 GMT 21 Jan 88

[Text] The government military delegation of the Syrian Arab Republic, now visiting our country, saw a joint acrobatic performance this evening.

Invited to the performance were members of the delegation headed by Hikmat Al-Shihabi, member of the regional leadership of the Arab Socialist Ba'ath Party and Chief of the General Staff of the Army and Armed Forces of the Syrian Arab Republic, and Hani Habib, Ambassador of the Syrian Arab Republic to our country.

Comrade O Kuk-yol, Chief of the General Staff of the KPA, Kim Kwang-chin, General of the KPA, and soldiers of the People's Army saw the performance, along with the workers of the city.

The performance was given warm acclamation from the audience. Flower baskets were presented to the performers to congratulate them on the success of their performance.

ECONOMIC

Production of More Steel Goods Announced
SK231530 Pyongyang KCNA in English 1507 GMT 23 Jan 88

[Text] Pyongyang January 23 (KCNA)—The Songjin steel complex is increasing the production of iron and steel.

In the recent 10 or more days the production of steel and rolled steel rose respectively by 27.7 and 32.8 percent as compared with the same period last year.

Smelters in the domain of steel making have pressed on with a vigorous technical innovation drive raising productivity 1.2 times while cutting the consumption of raw and other materials.

Steel-makers in the rolling mill have tended equipment well as required by the standard working method and technical rules, carrying out daily quotas at 105-120 percent.

The northern district general bureau of coal mining industry has set itself a goal of producing in January 16,000 more tons of coal than in the like period of last year. more coal-cutting faces have been built and a vigorous technical innovation drive pushed forward in order to overfulfil the yearly plan set higher than last year's. many coal mines including Kogonwon and Yongbuk youth coal mines have built three more coal-cutting

faces each. the coal mines under the general bureau are striving hard for increased production of coal while giving definite precedence to tunneling.

Workers under the general bureau of land transport are overfulfilling daily freight transport plan by 20 percent at least.

(?Drivers) of the Pyongyang long-distance auto transport corps No.1 and those under the Kangwon provincial bureau of transport management are carrying out daily assignments at more than (?percent) through proper technical management and higher actual operation rate.

Drivers under the Nampo municipal bureau of transport management are carrying more and more freight by elevating the actual operation rate of trucks up to 95 percent at least.

FOREIGN RELATIONS, TRADE

Papers Call for End to Acts Against Chongnyon
SK240829 Pyongyang KCNA in English
0821 GMT 24 Jan 88

[Text] Pyongyang January 24 (KCNA)—Papers here Sunday comment on raids and violences against the General Association of Korean Residents in Japan (Chongnyon) and Korean nationals which are being committed one after another in different parts of Japan, timing to coincide with the malicious anti-DPRK campaign in south Korea in the new year.

Japanese right-wing reactionaries and hooligans attacked the Santama headquarters of Chongnyon and Santama Korean primary and secondary school No. 1 under Chongnyon on January 20.

On January 16, the fukui prefectural headquarters of Chongnyon and the head office of the Fukui Korean credit association received a threatening telephone message: "all Koreans shall die." Some gangsters broke windows of the head office of the credit association.

Facts show that all of them were not accidental provocations by some terrorists but that they are premeditated crimes with a political background, declares NODONG SINMUN in a signed commentary.

The commentary goes on:

It should be noted that the criminal acts of Japanese hooligans become pronounced at a time when the south Korean military fascist clique and the Japanese reactionaries are carrying on the anti-DPRK, anti-Chongnyon smear campaign.

By goading the right-wing hooligans of Japan to conduct a campaign against the DPRK and Chongnyon, the south Korean puppets and the Japanese reactionaries attempt to hinder the patriotic activities of Chongnyon and Koreans in japan and throw cold water on the friendship between the Koreans and the Japanese. But, it is of no avail.

The Japanese authorities should strictly check the criminal acts against the DPRK and the patriotic activities of Chongnyon and Korean residents in Japan and the violations of human rights of Koreans in Japan, probe their background to the bottom and take responsible measures to prevent such incidents from recurring.

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